

JPRS-LAM-87-027

9 APRIL 1987

Latin America Report

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9 APRIL 1987

LATIN AMERICA REPORT

CONTENTS

INTER-AMERICAN AFFAIRS

Peru, Bolivia To Ratify Lake Titicaca Agreement (EL COMERCIO, 20 Feb 87)	1
Peru, Chile Work on Maritime Transport Agreement (EL COMERCIO, 19 Feb 87)	2
Brazil To Propose New Currency for Aladi Trade (O GLOBO, 22 Feb 87)	4
Peru, Ecuador To Benefit from Puyango-Tumbes Program (EL COMERCIO, 20 Feb 87)	6
Argentina Exports Electric Power Equipment to Peru (AMBITO FINANCIERO, 16 Feb 87)	8

BRAZIL

Sarney To Implement Austerity Program for Public Spending (Helival Rios; O ESTADO DE SAO PAULO, 1 Mar 87)	9
Sarney Sets Goal of \$120 Minimum Wage by End of Term (Helival Rios; O ESTADO DE SAO PAULO, 3 Mar 87)	11
Pires Defends 6-Year Mandate for Sarney (Jose Neumann Pinto; O ESTADO DE SAO PAULO, 31 Jan 87)	12
Constitutional Assembly Members Polled on Issues (VEJA, 4 Feb 87)	14
Composition of Elected Constituent Assembly Profiled (O ESTADO DE SAO PAULO, 5 Feb 87)	40
Disorientation of Government, Country Analyzed (Carlos Chagas; O ESTADO DE SAO PAULO, 13 Feb 87)	45

Petrobras Denies Discovery of Large New Field in Campos Basin (O ESTADO DE SAO PAULO, 5 Feb 87)	50
Military Officers Discuss Military Role With Intellectuals (O ESTADO DE SAO PAULO, 11 Jan 87)	51
EMFA Head Views Military Role Under New Constitution (Helio Contreiras; O ESTADO DE SAO PAULO, 1 Feb 87)	55
Armed Forces Pressure on Constituent Assembly Members Denied (O ESTADO DE SAO PAULO, 31 Jan 87)	57
Air Force Plans Laser-Guided Hypervelocity Missiles (Roberto Godoy; O ESTADO DE SAO PAULO, 31 Jan 87)	58
Army To Install First Airborne Battalion in Taubate (O ESTADO DE SAO PAULO, 5 Feb 87)	60
Lima Calls Installation of Helicopter Plant Inappropriate (Zenaide Azeredo; O ESTADO DE SAO PAULO, 3 Mar 87)	62
Briefs	
Nuclear Submarine Project Update	64
USSR Space Cooperation Offer	64
Possible Break With South Africa	65
Possible Church Censure of Boff	65
Planes for Calha Norte Project	65

CHILE

Poll Reveals Public's Political Perceptions, Fears (Ricardo Brodsky; CAUCE, 23 Feb 87)	67
Communist Party Proposals for Political Opening Document (APSI, 23 Feb-8 Mar 87)	71

CUBA

Report on Valladares Fine in France (GRANMA, 6 Feb 87)	81
African Students on Isle of Youth Described (Marta Rojas; GRANMA, 7 Feb 87)	82
Peruvian Air Force Decorates Pilot (VERDE OLIVO, 12 Feb 87)	84
Satellite Access to Foreign Data Bases Attained (Orfilio Pelaez; GRANMA, 7 Feb 87)	85

Statistics on Fires in 1986 Related (Reynold Rassi; GRANMA, 11 Feb 87)	86
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NICARAGUA

Minister Cabrales Discusses Domestic Supply, Distribution (Ramon Cabrales Interview; BARRICADA, 13 Feb 87)	88
Paper Prints, Apologizes for Quote Unfavorable to Ortega (BARRICADA, 30, 31 Jan 87)	92
Baptists 'Dislike' President 'Rightwingers,' 'Human Error' Blamed	92 93
Former Junta Member Robelo on UNO 'Crisis' (Alfonso Robelo Interview; TIEMPO, 2 Mar 87)	94
New Opposition Union for Journalists Organized (EL NUEVO DIARIO, 14 Feb 87)	98
Problems of Absenteeism, Labor Discipline Discussed (BARRICADA, 9 Feb 87)	99
More State Control of Rice Production Contemplated (BARRICADA, 30 Jan 87)	101
Army Lieutenant Charged With Black Market Sale of Meat (R. Gonzalez; EL NUEVO DIARIO, 15 Feb 87)	102
Demobilizations in Managua Total 4,500 in 2 Years (BARRICADA, 13 Feb 87)	104
'Substantially Increased' Illiteracy in Managua Targeted (BARRICADA, 8 Feb 87)	106
Examples of Crime, Disorders, Unemployment Noted (EL NUEVO DIARIO, various dates)	108
Burglars 'Accost' Neighborhood, by Concepcion C. Orozco	108
Life of Beggar Described	109
'Dangerous Environment' Decried	110

PARAGUAY

Impact of Development Projects in Border Departments Viewed (HOY, 3 Feb 87; EL DIARIO, 2, 3 Feb 87)	112
City of President Stroessner	112
Plans for New Airport	113
Encarnacion-Posadas Bridge	114

PERU

Closer APRA-IU Cooperation Viewed
(Jorge Luis Acevedo; EQUIS X, 2 Mar 87) 116

/7310

INTER-AMERICAN AFFAIRS

PERU, BOLIVIA TO RATIFY LAKE TITICACA AGREEMENT

Lima EL COMERCIO in Spanish 20 Feb 87 p A-4

[Text] Today Peru and Bolivia are to ratify an old agreement on the use of Lake Titicaca's resources. This agreement has been frozen for 30 years.

The Bolivian minister of foreign affairs, Guillermo Bedregal, said upon his arrival in Lima yesterday that he and his Peruvian colleague, Allan Wagner, will exchange ratification instruments for the pact, which dates back to the 1955-1957 period.

Bedregal went directly from the airport to the government palace to attend a luncheon given by the president of Peru, Alan Garcia Perez, for the delegates invited to attend COPPAL [Permanent Conference of Latin American Political Parties].

In a statement at the airport, the Bolivian foreign minister expressed his discouragement "about the problems the Andean Pact is experiencing."

On this subject, he said that "the Andean Pact is reaching a deadlock."

Venezuela, he said, has requested postponing for 30 days the signing of the New Modification Protocol. That period may allow time for further reflection.

He also stated that this postponement will result in delaying the planned summit meeting in La Paz. The Peruvian minister of foreign relations, Allan Wagner, in welcoming the Bolivian foreign minister said that they will discuss some matters of great interest to both nations, including some related to the Andean Pact.

He said that the agreement on the use of Lake Titicaca, which is to be ratified today, "will help to promote our integration."

7679

CSO: 3348/222

INTER-AMERICAN AFFAIRS

PERU, CHILE WORK ON MARITIME TRANSPORT AGREEMENT

Lima EL COMERCIO in Spanish 19 Feb 87 p A-3

[Text] Peru and Chile will meet soon, either in Lima or in Santiago, at a date which has yet to be set, to discuss the basic terms now being prepared of a draft agreement on their mutual maritime transport interests. These interests have been hurt by restrictions placed on the access of each nation's ships to the ports of the other nation.

This will be the second meeting held for this purpose. At the first, held in Lima at the ministry of transportation and communications from 21 to 24 January of this year, delegations from the two nations held talks designed to lay the foundations for a mutually satisfactory system for handling maritime transport.

At that time the Peruvian delegation was chaired by the vice minister of transportation, Dr Ernesto Alencastre, while the Chilean delegation was headed by the Chilean undersecretary of transportation, Col (ECH) Enrique Yabar.

Details of that meeting were not made public. At the end of the meeting a brief statement was released by the ministry of transportation and communications, saying that the delegations had agreed to lay the foundations for [an agreement on] maritime shipping between Peru and Chile.

Yesterday at the ministry of foreign relations and at the ministry of transportation and communications, they remained reticent about what was discussed at that meeting, and on the contents of the proposal which the Peruvian delegation is now preparing.

The foreign ministry said that the meeting was "an exchange of information" without specifying any of the topics discussed, while at the ministry of transportation and communications, it was reported that the Peruvian mission "is preparing the foundations, whose contents are not known."

Despite this official reticence, it was learned unofficially that one of the points to be discussed at the future meeting will deal with maritime transport restrictions between both nations in relation to cargo originating in third countries.

The Chilean government created this restriction some months ago when it prohibited Peruvian ships carrying cargo belonging to third countries from entering Chilean ports.

The Peruvian response took the same form; that is, Peru also barred Chilean ships from entering our ports while carrying cargo originating in third countries, feeling that such cargo should be transported solely by Peruvian ships, subject to the availability of freighters.

However, these restrictions do not affect shipping between Chile and Peru, which remains active.

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CSO: 3348/222

INTER-AMERICAN AFFAIRS

BRAZIL TO PROPOSE NEW CURRENCY FOR ALADI TRADE

Rio de Janeiro O GLOBO in Portuguese 22 Feb 87 p 42

[Text] The exchange crisis which led the Brazilian Government to suspend interest payments on its foreign debt with commercial banks is also leading the country to propose, within the next few days, the creation of a common currency to be used in commercial transactions between the member countries of the Latin American Integration Association (ALADI). The proposal has been debated for several years within the ALADI, but, up to now, it was Brazil which was most resistant to the idea, because it maintained a positive balance in bilateral trade in Latin America and, with the adoption of the common currency, it would accumulate exchange reserves which it could not use to buy goods from countries outside the ALADI.

With the decline of the country's reserves in dollars, the currency used in all its foreign trade, Brazil found it had little choice; it could either risk accumulating currency whose use is restricted to Latin America or not accumulate anything. The currency union thus became an alternative for Brasil to prevent its exchange crisis from provoking a reduction of its trade with the Latin American countries.

"The Brazilian exchange crisis will be the driving force behind this idea and, like previous exchange crises in the country, it will cause a transfer of our exports from markets where they are traditionally concentrated, such as the United States and Europe, to Latin America," commented Jose Tavares Junior, executive secretary of the CPA (Tariff Policy Commission). Tavares, together with Ambassador Thomson Flores, of Itamaraty, and Carlos Eduardo de Freitas, director of the Foreign Debt [Division] of the Central Bank, have intensified their discussion of the matter in recent months and should take it up this week with President Jose Sarney. About a year ago, the director of the Central Bank drafted a paper on the topic, which is now under study.

A name has even been proposed for the new currency agreement. It would be called "Monetary Unity for Latin America" and its acronym "MULA" is the object of humor among its creators: "It would be the mule that carries the trade between the Latin American countries," jokes Tavares. The CPA executive secretary takes the proposal itself very seriously, however. "The Latin American currency agreement will be an instrument for stimulating Brazilian trade within the ALADI, which has fallen from \$7.4 billion to \$4 billion in the last 6 years, but which has the potential to reach \$9 billion," Tavares observed.

Itamaraty plans to initiate contacts with the governments of the ALADI member countries regarding the creation of the Latin American currency union as soon as it receives the signal from President Sarney, and would then present the proposal officially at the next ALADI meeting, which will be held at the beginning of April in Montevideo. According to Jose Tavares Junior, the measure should be taken now, to prevent a possible decline in Brazilian trade with the ALADI countries and not to recover what has been lost.

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CS0: 3342/81

INTER-AMERICAN AFFAIRS

PERU, ECUADOR TO BENEFIT FROM PUYANGO-TUMBES PROGRAM

Lima EL COMERCIO in Spanish 20 Feb 87 p A-4

[Text] Yesterday afternoon the Torre Tagle Palace was the site of the closing ceremonies of the eighth session of the Joint Commission of the Peruvian-Ecuadoran Pact on the use of binational water resources: Puyango-Tumbes and Catamayo-Chira.

The ceremony was attended by the minister of foreign relations, Allan Wagner; the minister of the presidency, Nicanor Mujica Alvarez Calderon; the ambassador of Ecuador, Jose Ayala Lasso; and representatives of the national subcommissions, Jorge Piedra Armijos and Biaggio Arbulu, from Ecuador and Peru, respectively.

The talks on this major binational project have special significance, as they allow both parties to reach agreement on the reference terms and contractual bases for the international consortium which will do the definitive studies for the execution of the project.

Bilateral Advantages

The Puyango-Tumbes project is of special interest for the bilateral relationship, as it calls for agricultural development of large land areas which are now unproductive, with the consequent economic development benefiting both nations.

Minister Mujica said that the signing of this agreement is a reaffirmation of the good relations between the two nations, and is a living symbol that we share mutual interests.

He spoke of the work done by the members of the Joint Commission, remarking that the results "are the fruit of their intelligence, expertise, and patriotism."

He mentioned that the talks had taken place on two levels: scientific and political. These two aspects have been given primacy in the bilateral treatment of the project.

Ambassador Ayala said: "This project has a multifaceted significance; not only will it bring extensive agricultural areas into use, which will mean progress for the region, but it will also facilitate peaceful and constructive understanding between Peru and Ecuador. The importance of such understanding transcends economic issues, and is related to the history and future of both nations."

Foreign minister Allan Wagner expressed his appreciation to the technical staffs of both nations, for through their ongoing and constructive dialogue, they have sought creative ways of accomplishing their work.

He cited "the farsighted participation of the ambassador of Ecuador, who, with his recognized professional gifts, made essential contributions to the good understanding that was reached."

Finally, he expressed the hope that the coming sessions will be equally successful and will continue to make the shared desire of even closer and more fraternal ties between Ecuador and Peru become a reality.

The Puyango-Tumbes program is considering the annexation of areas that are now unpopulated or are not being used for agriculture, for the purpose of agricultural development. This will quickly bring into use areas that are now unproductive, and will benefit both sides of the border.

7679

CSO: 3348/222

INTER-AMERICAN AFFAIRS

ARGENTINA EXPORTS ELECTRIC POWER EQUIPMENT TO PERU

Buenos Aires AMBITO FINANCIERO in Spanish 16 Feb 87 p 7

[Text] Exporting a turnkey system costing US \$12 million to Peru was an important step forward for Argentina in the field of foreign electrical projects. This was the first time that the Argentine Central Bank had been involved in financing a project of this type. The project, developed by the firm SOINCO SACI, began to operate in February 1986--about a year ago--after being completed in 12 months. The project in question is the Ayacucho-Huanta-Cobriza electrical power system in Peru.

A new contract in the amount of US \$25,403,300, also with Peru, has just taken effect. This brings the amount of work on electrical projects in other countries to a total package of approximately \$35 million.

But SOINCO's first involvement in foreign trade dates back to 1978, when it made its first export of aluminum wire rods, produced in its plant in Cordoba province (San Agustin), with the wire rods, whose price was US \$1,800,000, going to India. Since that time, SOINCO's exports have totalled approximately US \$35 million, a result of its participation in international bids in the United States, Colombia, Japan, Ecuador, and other countries.

Large quantities of electrical conductors have been sold to Brazil. The agreements which have been signed initiating the integration process will now open up major sales possibilities there.

This integration process, in which Water and Energy is deeply involved, will have the support of Argentine firms with strong experience in the international market, with control of the decision-making process remaining in Argentina.

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SARNEY TO IMPLEMENT AUSTERITY PROGRAM FOR PUBLIC SPENDING

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Mar 87 p 31

[Article by Helival Rios]

[Text] The only way that Brazil will continue to grow and combat inflation at the same time is by adopting an austere economic policy and one of strict control over public expenditures. This is the conclusion of President Jose Sarney, conveyed to his advisors in Planalto Palaca. The president is following with great interest the establishment of a system for overseeing public expenditures by means of a complex computerized system, installed in the office of Jorge Murad, his personal secretary.

The president also told his advisors that he will not hesitate to impose strict penalties on high-ranking officials in the public sector and directors of state companies who do not comply with this guideline of rigorous austerity, which he wants to apply to the entire public sector from now on.

The monitoring program which is being installed in Planalto Palace for President Sarney is designed for the examination of public expenditures and receipts from the most varied angles, comparing data with regard to private capital, public capital, management capability, administrative efficiency and other relevant aspects of the companies and agencies.

The data which will issue every week from the computer terminal in the office of the president will be read by an economist trained to deal with the program and who, at this time, is in close contact with the National Treasury Secretariat and the Secretariat for Oversight of State Companies (SEST). Each week, after a reading of the data, the president will call Planning Minister Joao Sayad to his office to analyze them and identify points of resistance to the austerity program and any bottlenecks.

In these meetings with Minister Sayad, the president will determine the measures to adjust the program to ensure its success.

Those held responsible for the failure of the program, either by spending too much or by taking in too little, will be subject to penalties set personally by the president of the republic.

President Sarney understands that he is now beginning an all-out struggle for control of public expenditures and he does not intend to lose this battle.

However, the system for monitoring the public budget is--and is only, as they say in Planalto Palace--a system of inspection. Behind it, they say, there will in fact be a broad program for cutting expenses and restoring the receipts of the public sector.

The first section features the cutback of explicit and implied subsidies and the elimination of the drain on tax revenues--deductions, abatements, exemptions and, primarily, tax incentives. Among the most important subsidies are those granted for wheat (this alone costs the government \$3 billion cruzados), sugar and alcohol. Among the most important tax incentives are FINOR (Northeast Investment Fund), FINAM (Amazonas Investment Fund) and the sectoral funds (FISETS) for fishing and tourism. In all, these subsidies and incentives cost the government 60 billion cruzados annually. It is "an uncontrolled hemorrhage," say President Sarney's advisors.

The government is not stopping here, however, President Sarney's understanding is that, along with the cutbacks in subsidies and the drying up of incentives, the government will also have to adopt a realistic price and tariff policy for the public sector. The policy which has prevailed up to now, of having the public absorb the state companies' losses, cannot be perpetuated. If the country is living in a market economy, there is no reason for the state companies to charge prices inconsistent with their costs and their expectations of profit.

Some of President Sarney's advisors have pointed out that both the concession of subsidies and the unrealistic prices charged by the public sector in Brazil contribute practically nothing to reducing the country's social debt. They cite the example of the EEC countries; when the latter grant massive subsidies for their agricultural products, they are basically benefiting the small producers.

In Brazil, the sugar and alcohol subsidies only benefit the large landowners. The picture is no different with regard to prices. By selling steel at a price below costs, the government guarantees high profits, for example, to the automobile and household appliance industries. So, they insist, the time has come for the government to change this state of affairs. And this will be done, they say, by returning the country to a full market economy, but without ignoring the social priorities.

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CSO: 3342/81

BRAZIL

SARNEY SETS GOAL OF \$120 MINIMUM WAGE BY END OF TERM

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Mar 87 p 22

[Article by Helival Rios]

[Text] \$110 by the end of his term; this is the goal which President Sarney has set for the readjustment of the minimum wage, currently set at the equivalent of \$68.00 (1,368 cruzados). If his goal is achieved, by the end of his term the president will have granted a real increase of 76 percent over the present minimum wage.

If the goal is reached, it will also exceed the highest real minimum wage on record in the country: this was in effect during 1956 (in the Juscelino Kubitschek administration) and was \$105, or 2,110.78 cruzados in today's currency, using the IGPDI (General Index of Prices-Domestic Demand) of the Getulio Vargas Foundation (FGV) up to the end of 1986 as the deflation index.

If this wage floor is achieved, Planalto Palace argues, it will be closer to the intent of the constitution (which will undoubtedly be revalidated in the future Charter), which is to provide a dignified living for the worker and his dependents. In today's currency, this wage would be 2,400 cruzados, or the equivalent of \$120 at the official exchange rate.

It is the political intent of the government and the Democratic Alliance to surpass this goal. According to Planalto Palace, however, just to achieve it would be a noteworthy advance. Contrary to what many people believe, it is not easy to exceed the goal of \$120. In fact, the universe of workers who are earning the minimum wage is shrinking; today it is only 17.5 percent of the economically active population, according to the Labor Ministry. However, the universe of workers whose salaries are tied to the minimum wage is very large.

The calculation of salaries in multiples of the minimum wage has just been prohibited by Decree-Law No 2,322, which President Sarney has already signed. It only applies to new hiring, however, and is not retroactive. Thus the government cannot escape from the "strait jacket" that keeps the minimum wage at such a low level, because any significant increase would mean destabilizing the wage scales of the companies and, principally, of the state and municipal governments.

In any event, it is said in Planalto Palace, it will be very difficult to achieve, at short range, the goal proposed by the labor leaders, of a real minimum wage of about 4,800 cruzados in today's currency, or about \$420. It might be easier to make an effort to remove as many workers as possible from the minimum wage bracket, so as to make it less and less significant, and to seek, at medium and long range, to gradually increase its real value.

PIRES DEFENDS 6-YEAR MANDATE FOR SARNEY

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jan 87 p 4

[Article by Jose Neumann Pinto: "Government is Not Provisional Says Pires"]

[Text] Minister of the Army General Leonidas Pires Goncalves upholds full compliance with the 6-year term of President Jose Sarney, conditioning to that compliance the stability and legitimacy of the entire legal framework under which the country is living, with political parties, justice, class organizations, and so forth. "In order for Brazil to continue on its path, it is necessary that all that legal framework on which the democratic system is founded be legitimate. And if it is legitimate, how can the term of the supreme authority of the nation be excluded from it? If such exclusion were to happen, a historical inconsistency would be taking place and a general folly could be in the making."

During the lunch at Army General Headquarters in the Urban Military Sector (known in internal jargon as "Fort Apache") in Brasilia, Gen Pires Goncalves did not sidestep commenting on the statement by Deputy Jose Genoio of the PT [Workers Party], according to which the Sarney Administration should be considered as "provisional." "If the government were provisional, then everything would be provisional, commented the minister, who explained to ESTADO that his defense of fulfillment of the 6-year term of office for the president of the republic is not only the result of his will or personal idea but of logic so that everything may function satisfactorily and Brazil may continue on its path without trampling on anyone or stumbling.

"I believe that political activity is a noble activity," said the minister of the army during his daily after lunch walk at the lower level where the Army General Headquarters restaurant is located. "However, I also believe that such activity has a primary purpose, which is that of insuring a solid administrative structure. That structure is the foundation that makes the country grow. Since we Brazilians want the common good, we cannot accept political activity as an isolated means, an activity that encloses itself in its own essence. It must have the objective of making the administration function and not have the objective of being only itself, enclosed within itself. At times I am surprised at the opinions of some leaders who seem to want an election every month. It is obvious that

elections are the essence of the democratic system but it is necessary that between one election and the next there be a period of public administration," commented Gen Leonidas Pires Goncalves.

Likewise criticizing "politics for politics sake," the military chief said that the entire country must submit to that which may be sovereignly decided by the National Constituent Assembly, which meets as of tomorrow, with respect to the duration of the term of the president of the republic.

"We shall submit, but I confess that I would like for the members of the assembly to analyze well those questions we are placing on the table for an open and frank debate. It is necessary, above all, that good sense and pragmatism prevail," he said. Pragmatically, Gen Pires Goncalves said that the president of the republic, like any administrator, always has difficulties administering in the first year of his term--a period of learning and rapprochement--and that is why he asks the Constituent Assembly that the Jose Sarney Administration be given some time.

According to the minister of the army, "The country needs to institutionalize itself as quickly as possible, because without political stability it is not possible to work for creating solid wealth under an economic system that is also stable. While it is necessary to establish goals, seek them and attain them--which I fully believe must be the objective of any government--the fact must not be forgotten that any political or administrative upheavals create absolutely nothing at this time of national life. We need to build, have no doubt about that. The urgent institutionalization I advocate is precisely the guarantee the country needs for taking advantage of its potentials, which are very great and numerous from the physical, economic, and geographical points of view and also from the point of view of its natural resources and the quality of its people. The Brazilian people are very good and deserve a future in which those potentials are suitably employed so that they become a reality. I see no road toward that future that does not pass through the most absolute political and administrative stability," added Minister of the Army Gen Leonidas Pires Goncalves.

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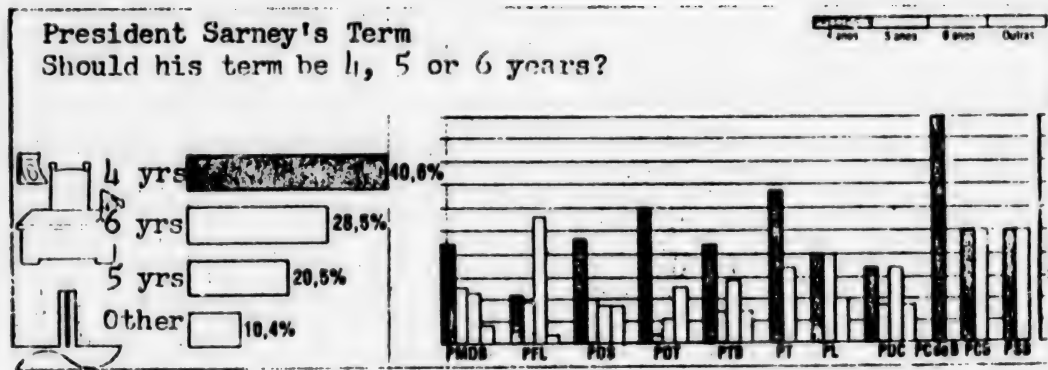
CONSTITUTIONAL ASSEMBLY MEMBERS POLLED ON ISSUES

Sao Paulo VEJA in Portuguese 4 Feb 87 pp 20-34

[Text] The National Constituent Assembly installed Sunday in Brasilia is liberal in essence, conservative with respect to order and customs and daring in questions of economic and social rights. Since 1984, when its convocation became a certainty, the great curiosity about the thinking of the 559 members rotated around the classification of "right" and "left." Elected and sworn in, it is noted that it is impossible to establish such a simple line of demarcation. A constituent assembly member who wants to provide job stability for workers and full equality for women, in addition to advocating more restrictions on the remittance abroad of profits by foreign companies, is certainly from the left. Another, who opposes abortion and favors the permanence of the armed forces in matters of domestic security, in addition to believing that the term of President Jose Sarney should be for more than 4 years, could be considered a member of the right. The problem of the wrongness of the label can be perceived when it is seen that a single member, representing the profile of the majority, wants to provide job stability, reduce the remittance of profits, make women equal, fight abortion, place the military in the defense of public order and keep Sarney in Planalto until at least 1990.

The VEJA-LPM Poll of 473 members of the Constituent Assembly in the past 2 weeks shows the majority of the deputies and senators arrived in Brasilia with the intention of giving President Jose Sarney 5 or 6 years in office. The largest bloc, with 40.6 percent of the votes, wants him to have only 4, but the total of those who give him 5 and 6 years is over 49 percent of those interviewed. That, however, is the total result. There is a threat in that. In a plenary session in which nearly 65 percent of the seats were renewed, the legislators of the first legislature divided themselves exactly in the middle, with the bloc favoring 4 years of the same size as the total of the other two. The reelection of the president is accepted by 55.4 percent of those interviewed.

Another poll by JORNAL DO BRASIL revealed Sunday suggests, however, the possibility that Sarney will get 5 or 6 years, winning time in the palace but losing authority. Of 415 members polled, 210 said that the parliamentary system is the best system for the country, while 182 remained with the presidential system. Sixteen believed in a "hybrid" parliamentary system or "mitigated presidentialism." Based on that, it would appear that the president will have to fight for his authority on two fronts.



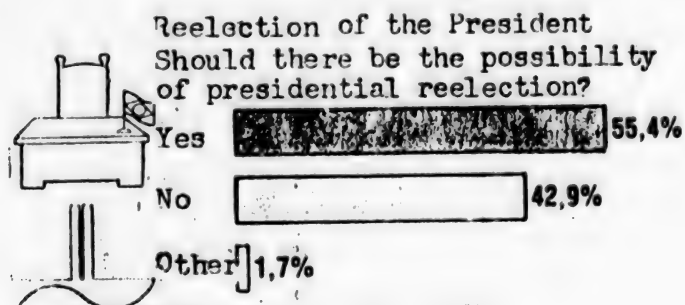
Leonidas and Paranagua

While Sarney remains silent as to the length of his term, General Leonidas Pires Goncalves, minister of the Army, became a candidate on Friday of last week for the leadership of the 6-year sector when he condemned the reduction of the presidential term, arguing that it is part of the "legal framework." "If such exclusion were to happen, a historical inconsistency would be taking place, and a general folly could be in the making," declared the minister of the Army.

Brazilian constitutional history shows us that when the powerful and armed ministers speak to the Constituent Assembly in the middle or end of its work, it winds up in confusion. After all, the 1823 Assembly began to be dissolved when the Marquis de Paranagua entered it, refusing to leave his sword in the cloakroom. Since General Leonidas raised the suspicion of "general folly" before the initiation of work, the situation appears chronologically different.

At least on one essential question the minister of the army and the majority of the members of the assembly polled by the VEJA-LPM survey agree: The members of the constituent assembly in a strange party cross-section want the armed forces to have the responsibility for domestic security. A little more than half of the members of the constituent assembly (50.7 percent) believe that the military should also take care of domestic security, while 48.4 percent wish to see them entrusted with external defense only. In that aspect, the PMDB split and 56.1 percent of its constituent assembly members polled opted for the alternative of external defense, while 42.4 percent of the PMDB members accept the military in the defense of domestic order. Since the victory of what could be called the left was small, it was eaten up by the solid support from the PFL [Liberal Front Party] and the PSD [Social Democratic Party].

When 58.4 percent of the members of the constituent assembly believe that workers should have job stability after a certain time of service, and 47.3 percent believe it preferable that sanctions be increased in the cases of dismissal of an employee without just cause, it is perceived that a Constituent Assembly may be meeting in Brasilia that is disposed to free, at least in part, Brazilian wage earners from the specter of unemployment without any compensation.



With the installation of the Constituent Assembly last Sunday, there began something that was known to be inevitable: After 23 years of suffering, the Legislative Branch is ready to reassume its old and secular prerogatives. Decree-laws, bills approved because of the passage of time, as well as restrictions imposed on legislators in decisions of a financial nature, are dying. They may be replaced by softer ways of predomination by the Executive but an end has come to the party begun in 1964.

According to the numbers of the VEJA-LPM survey, there are solid indications that the new thing that has arrived in Congress is a liberal bloc of vague outlines, infiltrated into all the parties except those of the extreme left. It does not achieve being a center because a proposition such as that of job stability by itself could even characterize an aspiration of the left. That liberal bloc seeks social advances, austere habits and, above all, less power for the federal Executive Branch. The liberals attack the Pantagrulian state installed in Brazil throughout the last 30 years, now with the parliamentary idea, now with a tax reform, and above all, with the strengthening of Legislative Branch prerogatives. All this is being proposed together with an unequivocal signal of desiring stability through the harshest suggestion for the defense of law and order: The use of the armed forces in the task of maintaining internal security, with all its advantages, nightmares and evils known throughout the recent past.

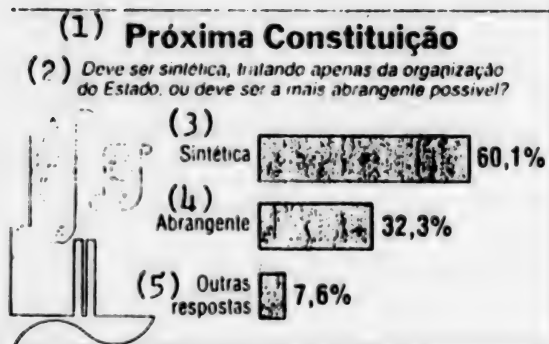
Against Fat

The majority of the members of the Constituent Assembly want to create a short constitution based only on the establishment of principles and safeguards, which will later be expanded in ordinary legislation. According to the LPM survey, 60 percent of the legislators are of this persuasion. The less constitution, the more autonomy the states and municipalities will have and respect for the peculiarities of each region will be greater," declares

Deputy Luiz Henrique da Silveira of the PMDB from Santa Catarina. A political dispute has already begun behind the scenes of the Constituent Assembly. In the parties of the left such as the PC do B [Communist Party of Brazil] and the PT [Workers Party], both a minority in Congress, there is a broad majority in favor of an all-encompassing text. For those parties the Constituent Assembly is an opportunity for trying the wholesale passage of laws they cannot manage to get approved during the course of regular legislative work. "We want a minimum possibility of subsequent interpretation of the constitution," says PT Deputy Vladimir Palmeira of Rio de Janeiro.

Deputy Silveira wants a constitution with a maximum of 90 particles. If they stayed within that framework, the members of the Assembly will have produced the shortest constitution in the history of the country, with one article less than that of 1891, which was also sparse in transitory provisions condensed in eight articles. In the Constitution of the Empire; in 1934 in the New State and in the text of 1967, the size varied between 179 and 189 articles, which means that size does not always have a direct relationship with the content. The willingness to produce a short text in no way means that it will happen. On the path that leads from theory to practice the preoccupation of the legislators for taking care of the segments of the voters who supported them is a food that makes any constitution grow fat. Ecologist Deputy Fabio Feldman of the Sao Paulo PMDB, knows the dilemma. He imagines a text restricted to 150 particles but filled with restrictions on nuclear weapons and nuclear energy and with an entire chapter devoted to the question of the environment in minor details. If they all think the same way, the new constitution will leave that of 1946 far behind. With its 222 articles and another 36 referring to transitory provisions, it was the longest ever written in the country. Article 198 in it is an example of fat. According to that article, the Northeast was assured an annual minimum of 3 percent of the tax revenues of the Union and of the states not subject to climatic reverses for fighting drought and its effects, the greatest material result being the distribution of favors and money to the local political bosses.

In defense of short constitutions, it is customary to say that they are more lasting, in a reference to the seven articles and 26 amendments to the text of the American constitutional text, which will be 200 years old in September. "The example is no good," declares jurist Jose Alfredo de Oliveira Baracho, professor in charge of the law school of the Federal University of Minas Gerais. "You cannot compare the American society of that time with the Brazilian society of today." On the opposite extreme of the American Constitution is the draft by the commission of notables headed by the present Senator from the Rio de Janeiro PFL, Afonso Arinos de Mello Franco, a stack of papers with 468 articles, which if approved completely would break a world record. The Constitution of India, the longest in the world, has 395 articles.



Key:

1. Next Constitution
2. Should it be short, dealing only with the organization of the State or should it be the most all-encompassing possible?
3. Short
4. All-encompassing
5. Other replies

With Open Eyes

Against all Brazilian constitutions there weighs a malignant tradition--the social question. Up to 1934 the Constituent Assemblies were not capable of preparing a legislation that would guarantee protection to employees. Throughout the entire constitution of the empire, the condition of enslaved manpower was not mentioned a single time. In view of this background, the Constituent Assembly is beginning well, as is indicated by the survey taken by the LPM: The willingness to approve laws that insure an improvement in the life of the workers makes up one of the most unopposed majorities of the assembly. Pursuant to the survey, no less than 80 percent of the legislators favor the adoption of measures that improve the lives of the workers and only 15 percent believe that it is best to remain as is. In a surprising phenomenon, it is from the Northeast that there comes the bloc most disposed to promote changes: 84 percent of those elected arrived in Brasília with that objective, according to the indications of the LPM survey. In the other regions of the country, the choice is similar. "It is no longer possible to live in a climate of such social disparity," declares Deputy Antonio Tidei de Lima of the Sao Paulo PMDB.

Certainly over the new constitution hangs the shadow of a more recent specter. Since the number of voters increased to almost half of the population of the country, the constitutions have usually hailed the most neglected strata of society with declaratory blandishments, such as the minimum wage established in 1946 and which never went into effect for the employees, who were kept in the same difficult straits as before. Whether that threat is real only the future can tell. The LPM survey shows, however, that the members of the Constituent Assembly are prepared to face a question that has never been resolved: Protection against unemployment. "As soon as the debates are initiated I am going to present a bill for job stability,"

declares Rio Grande do Sul Deputy Vicente Bogo of the PMDB. "That is if no one has not done the same thing ahead of me."

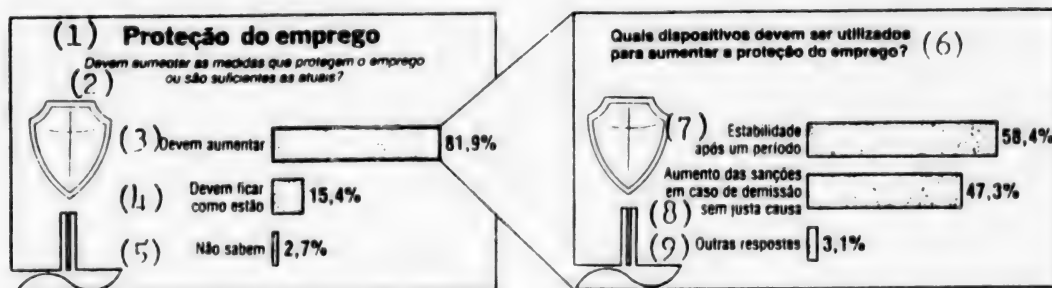
In the assembly in Brasilia, there is a fertile field for that discussion. Of the 387 legislators who told LPM they are prepared to advocate changes, the largest part of them believes that it is necessary to prepare a bill for that purpose. Another part believes that there is a different solution: Increase sanctions the employer is forced to pay in case of dismissals without just cause, which would force the companies to pay out a sum quite a bit larger than wages. "The dismissal of an employee is the right of any businessman," declares Domingos Leonelli of the Bahia PMDB. "However, when he does it without good reason, he should be punished." The two roads lead in two different directions but both are more comfortable for the employee than the Service Time Surety Fund created in 1966 by President Castello Branco by Decree-Law No 5107. Through the previous system created in 1943, the person who held the same job for 3 years, for example, would have the right to receive three wages as indemnification when dismissed, a sum even higher than the unemployment insurance that the administration of President Sarney instituted last year. Under the job stability system, the employee who completed 10 years on the job would become stable and could only be dismissed in case of serious misdeed, otherwise he would win an indemnification of 20 wages. That system caused atrophied labor relations in the country because when he became stable, the worker many times had his wages adversely affected since he also did not have any interest in changing jobs.

Bad Omen

In theory, the Surety Fund could also insure a good remuneration for the worker who lost his job. However, in an economy in which the great majority of employees does not remain more than 7 months with the same company, its effect was perverse, encouraging rotation and the stagnation of wages. The lowest pay of a Brazilian worker in 1959 was the equivalent of \$317. Today, in the eighth economy of the West, those earnings are around \$60, almost a third of what is received in a miserable country such as Nicaragua where the economy is concluding a decade of almost total disorder.

As far as the government is concerned, the Constituent Assembly is beginning under a bad omen: The failure of the social pact. When the talks between Minister Almir Pazzionotto and the leaders of the more moderate union organizations such as the CGT and the USI [Workers General Command and the Independent Labor Union] collapsed, the one who emerged the winner was the CUT [Sole Central Organization of Workers] of the PT [Workers Party] of Luis Ignacio Lula da Silva. The PMDB [Brazilian Democratic Movement Party], in the Constituent Assembly and the government, views the members of the Constituent Assembly as a necessary field for confronting an old inheritance left by the Constituent Assembly of the New State of 1937--the union structure erected with dues paid every year by employees. By maintaining the CGT and USI close to it, the government could handle the question with some leeway.

Without that, its options narrow because when the GCT draws away from Planalto, it moves a little closer to the CUT. In a country where two thirds of the 45 million employees have a maximum wage ceiling of 2,400 cruzados, the social question became a subject of some importance. Unlike in other Constituent Assemblies of the past, these were subjects chosen or formed in the interior of an office. "I am in favor of stability," declares former Minister of Labor Arnaldo Prieto, a member of the PFL. "However, I think that the question should be placed in regular legislation. If it is placed in the constitution it runs the risk of not being actually complied with." For businessman Guilherme Afif of the Sao Paulo PL, the basic concern is another. "I believe that employees should take a closer look at what the government is doing with their money," he says. "Public services are so inefficient that under any category there is always the preference for private welfare services." It is possible that throughout the course of the year a good part of the politicians will modify the generous offers of today and when it comes time to vote for practical resolutions, they will conclude by reversing themselves. However, in a country where 70 percent of the population does not have enough income to feed itself properly, there could be no better beginning than the willingness to change.



Key:

1. Job protection
2. Should measures protecting employment be increased or are the present ones enough?
3. They should increase
4. They should remain as they are
5. Do not know
6. What measures should be used for increasing job protection?
7. Stability after a period
8. Increase in penalties in case of dismissal without just cause
9. Other replies.

Defense of Order

According to the figures of the VEJA-LPM Poll, an old proposition of the PMDB is in serious danger of being defeated in the Constituent Assembly, where the faction of Ulysses Guimaraes has an unworried majority: The role of the military. In the poll, 50 percent of the legislators declared that the armed forces should guard the domestic security of the country and take action in case of need, in addition to watching over national sovereignty and preventing foreign attacks against the nation. The subject divides the PMDB. While 56 percent of the government party believes that the armed forces should only concern themselves with enemies stationed on the other side of our borders, 42 percent believe it is necessary to maintain the present situation. With that picture of disunity in the PMDB, the needle on the scales moves to the other factions.

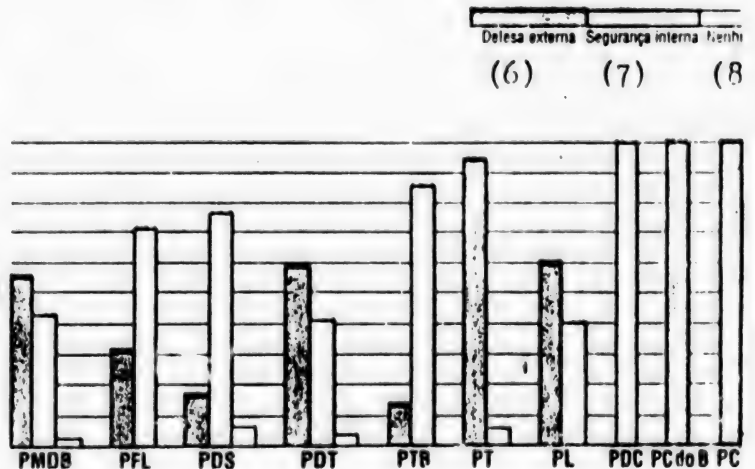
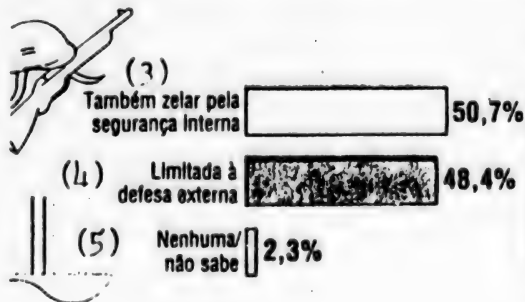
If it depended on the left of the Constituent Assembly, the military would return to their barracks and emerge only in case of war: 93 percent of the PT and all the Communist Parties feel that way. However, since the votes of the left are a minority and count for little in the general total, the Congress leans toward the opposite position, maintained by the conservative wing of the PMDB, 70 percent of the PFL, 76 percent of the PDS and 85 percent of the PTB [Brazilian Labor Party]. Only 2 percent of the legislators are undecided.

"The armed forces can be of great use in internal order," says PDS Senator Jarbas Passarinho from Para, a star in the previous administration. "They must be activated in case of social upheaval." On this subject he enters the debate in a more comfortable position than Ulysses Guimaraes--on the controversy of the military, the PDS is united. Among Passarinho's supporters are allied a succession of leaderships who are enemies of Ulysses Guimaraes, such as Deputy Roberto Cardoso Alves of the Sao Paulo PMDB. It appears to him that some sectors of the left want to restrict the role of the armed forces to the defense of the borders and national sovereignty because they still feel resentment because of the military intervention in 1964. "They cannot forget that the armed forces give support to the state," points out Cardoso Alves. "They safeguard the authority of the Executive, Legislative and Judicial Branches." Last year, during the 12 December strike, Rio de Janeiro witnessed a parade of tanks, and days before, in the riotous protest in Brasilia, armored vehicles appeared in the Praca dos Tres Poderes. The story in that case is more complex. Of the six military interventions that did not become coups de etat between 1930 and 1964, on four occasions the armed forces arrayed themselves against legal order and in only two did they take to the streets in defense of legality. According to the 1824 Constitution, which had six articles devoted to the subject, the military forces should be obedient and should never mobilize without an order from legitimate authority, which was the emperor. That did not prevent them from mobilizing in 1831, opening a period of military anarchy that was only crushed by the iron hand of the regent, Father Feijo. By 1889, pursuant to a decree, the provisional government of Marshal Deodoro da Fonseca could put the armed forces on the streets for police work. In the Constitutions of 1891 and

1934, there was a return to normalcy. With the existence of the New State, the 1937 Constitution once more granted broad powers to the military, who returned to their barracks in 1946 and stayed there until the break in 1964. Both constitutions in effect from then on guaranteed the defense of internal order through their actions. "It is necessary to erase that from the paper," says Senator Mauricio Correa of the Federal District PDT. "If we want a lasting constitution within a stable regime, we need to remove the responsibility for internal defense from the armed forces." The opinion of the senator is echoed by other voices in the party. "Internal security must remain the responsibility of the police," declares Deputy Nelson Seixas of the Sao Paulo PDT. "The armed forces should not be the fourth branch," says Deputy Florestan Fernandes of the PT. "They should act only in case of confirmed foreign threats."

Segurança Interna (1)

As atribuições das Forças Armadas devem estar limitadas à defesa externa da soberania nacional ou elas devem ter competência para zelar pela segurança interna? (2)



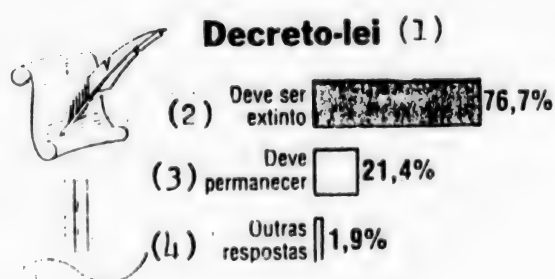
Key:

1. Internal Security
2. Should the responsibilities of the armed forces be restricted to external defense of national sovereignty or should they be authorized to watch over internal security?
3. They should also watch over internal security
4. Restricted to external defense
5. Neither, does not know
6. External defense
7. Internal defense
8. Neither, does not know

Test of Strength

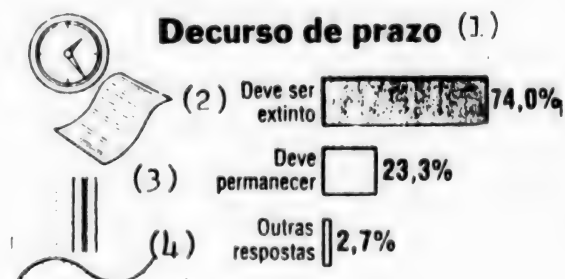
On 15 April 1985, after signing his fifth decree-law, President Jose Sarney declared that as long as he was in charge of the nation he would issue no other. In November of last year, when he sent the economic package altering the Cruzado Plan he decreed in February to Congress, Sarney had reached the mark of 31 decree-laws during his term. An instrument that the old PMDB described as the essence of authoritarianism because it allowed the chief of the Executive Branch to trample on the functions of the Legislative Branch, the decree-law could have its days numbered to judge by the VEJA-LPM poll. While the PTB and the PDT of Rio de Janeiro Governor Leonel Brizola are divided as to whether he should be removed, almost 80 percent of the PMDB members of the Constituent Assembly want him out, accompanied by all the legislators of the PC, PC do B, PL and PSB who were interviewed. In the PMDB there is still the memory that their greatest political victory resulted from a decree-law!

"The decree-law must be removed from the history of Brazil," declares Federal Deputy Renato Vianna of the PMDB of Santa Catarina. For Deputy Jose Elias Murad of the PTB of Minas Gerais the decree-law has its use. "It should be tolerated for resolving delicate problems such as those of the economy," says Murad. In the 21 years that the country existed under governments headed by military men, 2,272 decree-laws were issued. In the same period, the National Congress approved only 690 laws of its own initiative, that is, for each law forwarded by a legislator and approved in the assembly, the government produced three decree-laws. "We are going to put an end to that usurpation of the functions of the Legislative by the Executive," asserts Federal Deputy Ailton Cordeiro of the PDT of Parana.



Key:

1. Decree Law
2. Should be abolished
3. Should remain
4. Other replies



Key:

1. Expiration of deadline
2. Should be abolished
3. Should remain
4. Other replies

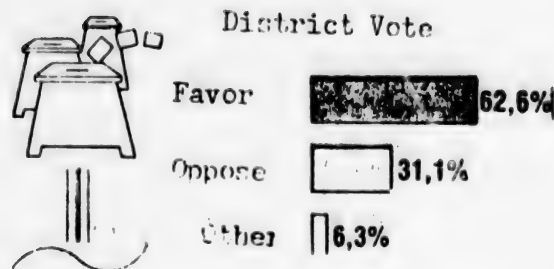
Only the PDS

Another instrument much used by the government was the expiration of deadline. This was a very ingenious device. When it wants to approve an unpopular measure that would not pass through the voting of Congress, the Executive sends its bills with a deadline of 45 days for perusal by the legislators. In case the deadline is not met, there is another chance: Ten consecutive sessions in which emergency voting will take place. With the device of the expiration of deadlines, the recourse of obstructing the votes, which previously had been a weapons of the opposition blocs, became a trick that favored the government. According to the VEJA-LPM poll, the expiration of deadline may also disappear in the upcoming constitution. Three-fourths of the members of the Constituent Assembly are against the use of that device. On this question, the only party that is in love with the expiration of deadline device in public is the PDS, in which half of the bloc sees no reason for abolishing it. "There are bills that have been under negotiation in the Congress for 14 years," justifies Deputy Artenir Werner of the PDS of Santa Catarina. Deputy Euclides Scalco of the PMDB of Parana speaks for the majority: "It places constraints on the Parliament," says Scalco.

In the Direction of Agreement

"The district vote is almost an accomplished fact," asserts Deputy Ulysses Guimaraes, national PMDB leader, a faction that has more than half of the seats in Congress. According to the VEJA-LPM Poll, more than 60 percent of the legislators who are going to prepare the new Brazilian Constitution agree with the opinion of Ulysses. "By that system the candidate is forced to render an accounting to the voter," declares Senator Jose Richa of the Parana PMDB. Through the proportional system in effect since 1946, the candidates receiving the most votes in each party are elected, providing that the slate has obtained a predetermined number of votes. In the last election, for example, Communist Alberto Goldman of Sao Paulo had 41,000 votes, but the PCB [Brazilian Communist Party], with 238,000 votes remained much below the stipulated quorum of 238,000 votes. With the adoption of the district vote, each state would be divided into regions and in each of them the parties could launch their own candidate. Through that system, the proportional election becomes a majority election in each district.

At the end of the electoral campaign last year, the most expensive in the history of the country, a good part of the candidates believed that the district vote, because it fixes a candidate in one region, could turn the election into a less costly investment, which could also be an incentive to corruption in the district. None of the 11 parties that make up the Congress, however, have an idea of how to organize the district vote. The majority is leaning toward a mixed system in which the larger part of the legislators is selected in the regions and the rest through various and complex systems of party decisions and voting. One of the strongest adversaries of the district vote is Parana Senator Jarbas Passarinho of the PDS, who believes that it compromises the plural party system. "If the district vote had been implanted last year, the PMDB would be an only party," says Passarinho.



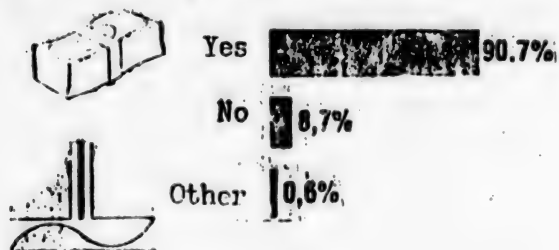
We are going to Spend

If it depended on the present will of the members of the Constituent Assembly, the most profound innovation introduced into the relations between the Executive and the Legislative by the 1964 regime has its days numbered. The overwhelming majority of the members of all parties, regions and ages want Congress to return the right to involve itself in the budget of the Union and to reacquire the capacity to generate spending. For 23 years, any legislative bill has died in the Justice Commission because of unconstitutionality if it meant an increase in spending for the public coffers. While the Executive functions without allowing the Legislative to spend, it in turn wants to spend without interference from the Legislature. Therefore, according to the present constitution, deputies and senators cannot change funds from their place. That is achieved by giving the budget the protection of expiration of deadline and a shield through a mixed commission of deputies and senators, who have the power of veto over the amendments of their colleagues.

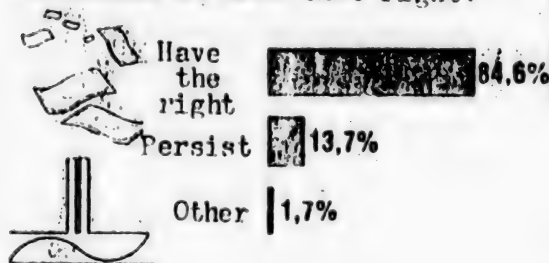
That system was conceived in the period of reforms by Marshal Castelo Branco to counter the anarchy established by the 1946 Constitution. Since it gave freedom of movement to the legislators with respect to the national treasury, veritable monstrosities took place. Whenever Paraguayan President Alfredo Stroessner wanted to build a bridge linking his country to Brazil, he would round up a deputy to allocate funds, no matter how few, for the project. Once the item was placed on the budget, he would pressure the Brazilian Government to fatten the funds and in that way a mountain of entanglements was created.

Phantom entities were financed, money was thrown away and, in the name of morality, the Congress had its power of oversight and management of the budget completely mutilated. In 23 years of judiciousness by the Executive Branch Stroessner completed all the projects he wanted and he divided up the contract work of Itaipu in the way he thought best. With a foreign debt of \$110 billion built on a budgetary anarchy recognized by all the ministers of finance for more than 10 years, the clear-sighted Executive of 1964 is today a completely discredited entity for all the members of the Constituent Assembly. That is the signal received by the VEJA-LPM Poll.

Should the future constitution consider the possibility of the Congress changing the budget presented by the Executive?



Should the principle persist whereby Congress cannot take the initiative of generating spending or should it have that right?

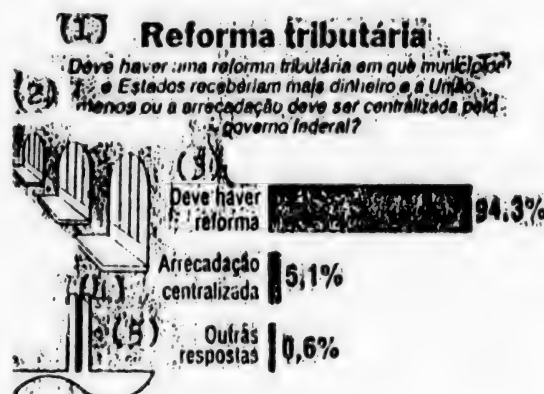


It is not to be believed that the Assembly will vote for a return to the situation of the 1946 Constitution, but it is certain that from next year on the ministers of finance will have to work twice as much. On one hand they will have to watch that the legislators do not increase their power in order to take care of their votes and, on the other, they will have to cross the Praca dos Tres Poderes to better explain plans to the Executive and, in many cases, they will not be able to take care of their own political bases as they did during almost all of the last 23 years. From the other side of the balcony, Professor Antonio Delfim Netto, deputy of the Sao Paulo PDS warns: "Everyone wants more rights to spend. I am in favor changing those provisions of the constitution provided that two factors are respected: Whoever wants to spend must say where he wants to cut or where he believes he can obtain an equivalent revenue. As far as becoming involved with the budget, one can become involved in any way one wants providing that the factors, no matter how much they are changed, result in the same product. In short, let us make reforms but let us respect the arithmetic."

Urban Pressure

The demands of the 4,200 Brazilian municipalities that the Constituent Assembly establish a tax reform capable of decentralizing the collection of taxes, allowing a larger amount of money to reach the coffers of local authorities and making possible an increase in municipal taxes, has had the consensus of the legislators since the opening of the National Assembly. The VEJA-LPM poll revealed that 95 percent of the deputies are willing to take a larger piece of the tax pie to their respective cities, which at this time destines only 16 percent of taxes and surtaxes for the expenses generated by the municipalities. "The trend is toward modernization," declares Deputy Jose Serra of the Sao Paulo PMDB. It is not yet possible to determine the position of the government toward the modifications that the Cruzado III Plan could require. The draft bill that the Commission for Tax Reform and Administrative-Financial Decentralization of the Secretariat of Planning of the Presidency of the Republic is completing has not had the points that refer to tax sharing by the Union revealed, preventing any estimate as to the degree of polemic that the demand may cause. It is true that on the side of the majority of the members of the

Constituent Assembly is another force that should help in the decision: The Municipal Front, an organization made up by the representatives of all the municipalities of the country, who since 1983 have made it a practice to fill the galleries of the Chamber to watch proceedings that are in their interest. That is the way it was in September of that year when the Front appeared in Brasilia with more than 3,000 prefects and councilmen to ask for approval of the Passos Porto Amendment, which 2 months later modified the constitution, increasing the amount of funds passed on to the municipalities.

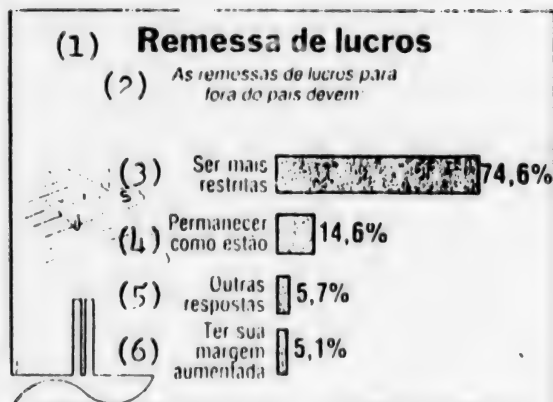


Key:

1. Should there be a tax reform in which the municipalities and states receive more money and the Union less, or should tax collection be centralized by the Federal Government?
2. There should be a reform
3. Centralized collection
4. Other replies

Fight in Sight

One of the subjects that always raises the temperature in Congress promises to fire up the debates of the Constituent Assembly: The remittance of profits abroad by multinational companies. Owners of an investment in the country of around \$25 billion, last year foreign capital companies sent \$1.2 billion to their home companies, complying with the limits established after two modifications by the Minister of Planning of Castello Branco, Roberto Campos in Law No 4131 approved on 3 September 1962. In that first version of the Joao Goulart Government, the limit was 10 percent of the total investments made by the company on the year of the remittance. Roberto Campos first eased the legislation, allowing reinvested profits to be considered as investments. Later, he raised the limit of the remittance to 12 percent. That is what is in effect now and, according to the LPV-VEJA Poll, five out of every six legislators believes that too much money is leaving the country. "This is a case for Romeu Tuma," declares Sao Paulo PMDB Senator Severo Gomes, one of the leaders of the bloc that seeks to



Key:

1. Remittance of profits
2. Remittance of profits out of the country should:
3. Be more restricted
4. Remain as it is
5. Other replies
6. Have their limit increased

staunch the hemorrhage with a constitutional tourniquet. "Foreign companies are using several methods for circumventing the law."

"If the Constituent Assembly were to restrict the remittance of profits, the foreign companies that already reduced their investments will not return to the country so soon," says Roberto Campos, now a PDS Senator from Mato Grosso. "That hysteria for restrictions is an evil that I call 'bureaucratic AIDS.'" In the analysis by Roberto Campos, the country is undergoing a situation like that prior to 1964, with a general paralysis in the application of capital. The reason, as far as the senator is concerned, are the obstacles such as the reservation of markets and the Informatics Law. Strictly speaking, the present law on remittance of profits is already restrictive enough compared to the standards common in Third World countries. Therefore, the interest of the multinationals for finding new shelters turns more easily towards those countries rather than toward Brazil and fat lots of capital are not entering the country, attracted toward Asian markets.

Isolation

In the United States, recent changes in legislation promoted cuts in the income tax of companies to reduce the exporting of capital. In the proposal of the Constitutional Studies Commission there is a suggestion for the fixing of limits on the remittance of interest rates, profits, dividends and royalties, in an attempt to close the alternate channels used by the multinationals for sending money to their home companies. "Combined, the measure adopted in the United States and the proposal to the Constituent Assembly may lead the country to a technological isolation," declares Roberto Campos. Severo Gomes believes that such possibility is no more than a threat but is skeptical as to the practical effects of any restriction. "No one manages to discipline the multinationals," he explains.

Behind that debate are hidden two trees loaded with problems, one political and the other economic. Driven by the difficulties of paying the \$110 billion owed to foreign creditors, there are sectors of the PMDB who seek a heroic gesture--and a foreign enemy is always an easy target for that type of action. The economic question is more complex. The government plans to guarantee the growth of the economy at rates of at least 6 percent per year, a difficult objective under the present situation--and a veritable dream in case new changes in foreign relations take place. At the moment in which the fruit of the economy clashes with that of politics, the results will turn out to be surprising. When it analyzed the hypothesis of suspending payments of interest on the debt, the government sounded out a handful of advocates of the measure in its public declarations, however, it discovered in private conversations that it was alone if it had to follow that path. The problem is similar with the law on the remittance of profits; it is a matter of learning who pays the bill and who makes the sacrifice.

Historic Turn

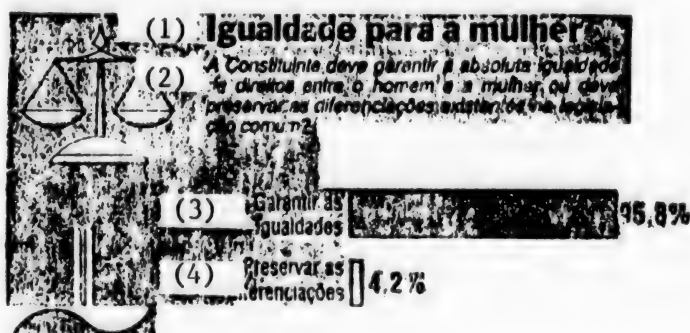
If the legislators elected on 15 November confirm what they told LPM with their votes, the great beneficiary of the new constitution will be women. The survey taken last week indicates that 95.8 percent of the members of the Constituent Assembly believe that absolute equality of rights between men and women should be guaranteed. The great surprise came from the Northeast, where 98 percent of those elected support the idea, leaving the largest ratio of rejection to the Southeast: 6.8 percent. Overcoming political differences, equality of rights is the point of greatest unity among the legislators and of absolute cohesion among the feminine bloc. "I am not a feminist, but I recognize that I have a great responsibility in the struggle for an end to discrimination against women," says Rita Camata of the PMDB, the youngest member of the Constituent Assembly. The blame for discrimination, however, is not the present constitution. The number one enemy of the feminine members of the Constituent Assembly, feminist or not, is the Brazilian Civil Code prepared in 1940. According to it, only the head of the family may choose where she should live (Article 70); moreover; the husband is the head of the conjugal association (Article 233), and the father has power over minor children, in whose education the woman is a collaborating party (Article 380). "It is necessary to eliminate the discriminatory rubbish contained in that law," declares Rosa de Freitas, elected by the PMDB of Espirito Santo.

At the Convention on Elimination of all Forms of Discrimination against Women promoted by the United Nations in 1981, Brazil approved the majority of the commitments, but made reservations through the National Congress on its 15th and 16th articles, exactly in that which has to do with equality of women with respect to the husband. "Woman can no longer be viewed as the chattel of man," declares Elizabete Azize, now of the PSB [Brazilian Socialist Party]. A direct consequence of "legal" inequalities are the real inequalities, without quotation marks, such as the nonpayment of retirement to rural women if they have no husband, difficulties in professional advancement, and, particularly, differences in wages for the same work. The 1980 Census revealed that an upper salaried woman receives 41.7 percent less than a man as a rule. In domestic work, the difference rises to 60 percent. The elementary grade teachers receive only 47 percent of the salaries paid men, and counter clerks and salespersons do not get 45 percent.

Without ever having participated in any feminist movement, Marcia Kubitschek of the PMDB arrives in Congress with a bill that is aimed at the defense of equalizing salaries between working men and women and the creation of day care centers. "Women need to occupy their place as a productive category in society," she says. Even so, she prefers a shorter constitution. Deputy Maria Abigail Feitosa of the same party, however, prefers articles that are more all-encompassing. "It is necessary to detail the questions well so that the constitution will force the reformulation of the Civil Code," she declares. Although very clear to some legislators, the idea that separates discrimination from privilege has not yet been well assimilated by all.

A strange proposal, typical of that confusion, is that of Deputy Agripino Lima Filho of the PFL, who thinks that mothers should have 50 percent of the work day free for taking care of their children and be remunerated by the government. "We are not going to confuse things. As we create privileges, we accentuate discriminations," explains Maria de Lourdes Abadia (PFL).

The majority of the constitutions of the world make reference to the rights of women. However, neither in the United States nor in Norway do they make reference to maternity leave, for example, mentioning women only to guarantee the right to vote. The Portuguese Constitution is the one that comes the closest to the proposals of Brazilian feminists. In Article 36 it advocates full equality in creating a family and contracting matrimony. With respect to workers rights, Article 60 observes the principle that there should be equal pay for equal work in order to insure an equally decent existence. In a way that would put an end to Brazilian father's sole authority over minor children, the Portuguese Constitution in its Article 68 says that fathers and mothers have the right to the protection of society and the state in their unsubstitutable action with respect to their children. "The new constitution has to follow that path. The present one says that men and women are equal before the law, but in practice that is not what happens," concludes Lidice da Mata of the PC do B.



Key:

1. Equality for Women
2. Should the Constituent Assembly guarantee absolute equality of rights between men and women or should it preserve the differences existing in ordinary legislation?
3. Guarantee equality
4. Preserve the differences

Closed Door

In countries such as Spain and Portugal, which exchanged dictatorship for democracy in the decade of the 70's, the legalization of abortion generated

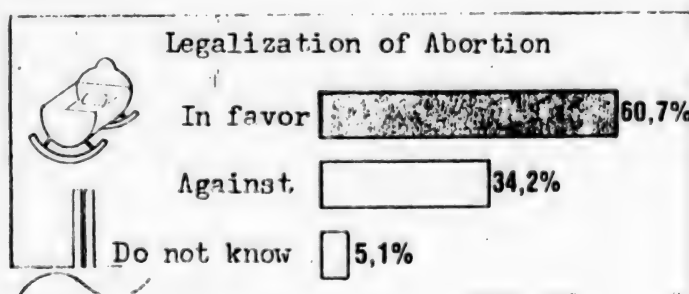
great controversy, but concluded by being approved, however, Brazil promises to be a case apart. Last week the poll made by LPM revealed that of the 473 members of the Constituent Assembly elected on 15 November, 287 are opposed to the idea, which means no less than 60 percent of the legislators. Even within the PMDB, which contains a large part of feminine militants in its ranks, the proposal is only favored by a minority, with only 35.2 percent favoring the measure. Deputy Cristina Tavares of the Pernambuco PMDB, came to Brasilia outlining a bill that is aimed at legalizing abortion. "The campaign carried out against abortion in the country is pure hypocrisy," she declares. According to the plans of the deputy, abortion would cease to be an unbailable crime punishable under the provisions of the Penal Code--confinement for from 1 to 3 years for the woman and from 3 to 10 years for the doctor. Abortion would also be free, which means that it would be simple surgery paid for by the National Social Welfare Institute (INPS). "We know very well that luxury hospitals perform abortions on rich women, making it the fourth largest source of income for some of the large hospitals," declares Cristina Tavares.

Unity of Action

The bill by the deputy is likely to be pigeonholed in the Constituent Assembly. Legalization of abortion today is a rare question capable of uniting militants gathered in factions that cater to different areas and voters, such as the PDS and PT. "I am not a feminist and I am against abortion," declares Deputy Wilma Maia, of the Rio Grande do Norte PDS. "That is a subject still under discussion," evades Irma Passoni of the PT, who receives a good part of her votes from the voters of the Base Communities of the Catholic Church. Pursuant to Brazilian legislation, authorization for legal abortion, rarely granted, is possible only in the case of illness of the woman and for the victims of rape.

"The most important thing is to look at the clandestine practice," declares Deputy Robson Marinho of the PMDB. "It is a very serious social problem." From the point of view of health, clandestine abortion in Brazil is a case of social tragedy. According to World Health Organization figures, no fewer than 3 million women subject themselves to surgery to interrupt pregnancy. In the greatest part of the cases, they are operations carried out without medical care under poor hygienic conditions, the result of which is that 2 percent of them die because of side results. Leaving a track of 60,000 victims per year, clandestine abortion produces a devastation equal to all infectious and respiratory diseases such as tuberculosis and pneumonia, which had 59,000 victims in 1983 according to the Ministry of Health. In favor of legalizing of abortion also is the change in customs that took place at the end of the 60's and beginning of the 70's. "Woman has the right to decide on the moment of conception," declares Lidice da Mata of the PC do B of Bahia. A substitute in many cases for the infanticides practiced on a large scale up to the beginning of this century, the social tragedy of abortion is the greatest result of another problem: The lack of a family planning policy.

More than any other question, the legalizing of abortion is an indication of the sentiments that exist in the Constituent Assembly. Gathered there is a session of legislators who are progressive in social matters, as is demonstrated by the position of somewhat more than 80 percent of them favoring an improvement in protection for the unemployed of the country. When dealing with questions relative to traditions, however, the position is another. Brazilian legislation on abortion is not of the most restrictive in the world. In countries such as Belgium, for example, any attempt to interrupt pregnancy is forbidden by law, and in Portugal surgery is only authorized when the pregnant woman shows that she has some illness; moreover, the husband must give his approval. In countries with a Catholic tradition, the influence of the Church is also considerable. According to Christian Doctrine, abortion is a sin and cannot be justified under any hypothesis. Even when the woman's life is in danger, the Church recommends that an effort be made to save her child.



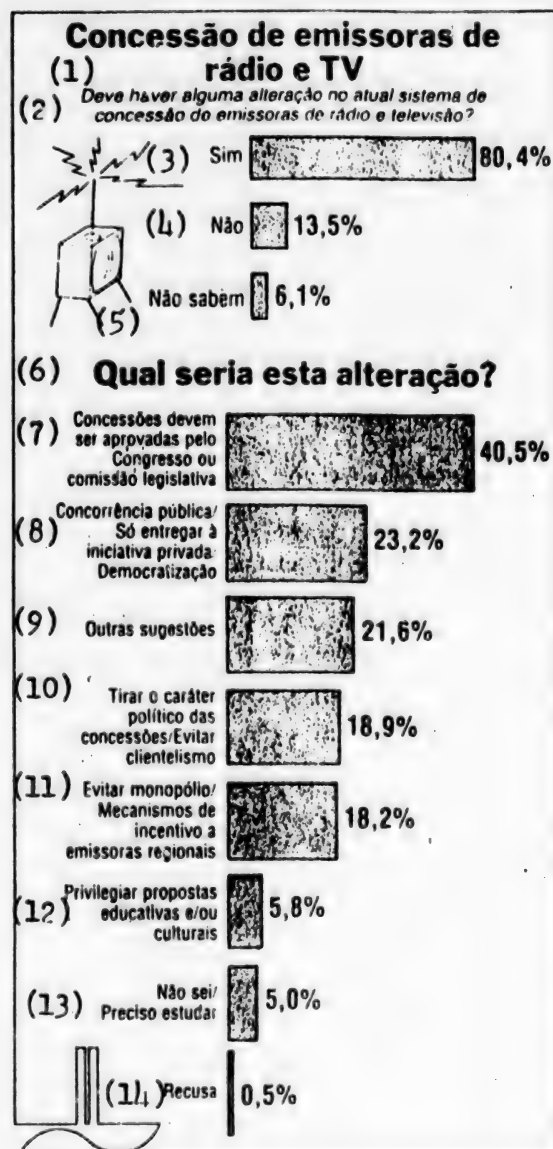
New Waves

Most of the legislators of the Constituent Assembly arrive in Brasilia ready to promote significant changes in the system of allocating channels to radio and television stations. The LPM poll indicates that 80 percent of the members of the Assembly are in favor of changes in present legislation. The PFL is the party that enfolds the majority of those who are against changes: 25 percent of the legislators questioned favor the present system, which states that "the granting of a concession or authorization is the prerogative of the president of the republic," as is established by the Brazilian Telecommunications Code in effect since 1962. The majority of the members of the Constituent Assembly from the PMDB (42 percent), PDS and PDT (both with 54 percent) and the PT (67 percent) are in favor of the Congress being the one to approve concessions. The PFB and PTB (25 and 60 percent of the legislators questioned, respectively), opt for a public auction for the allocation of all channels to private companies.

"The change in the rules for allocations must have as a guideline the creation of mechanisms of control over communications, preserving the public interest," declares Federal Deputy Antonio Britto (PMDB Rio Grande do Sul), who as a journalist of REDE GLOBO was invited by Tancredo Neves to be his spokesman and became nationally known during the period in which the

president-elect lay dying in Brasilia and Sao Paulo. Britto says that he favors the proposal made by Tancredo Neves for the creation of a Federal Communications Council made up of representatives of civilian society and political parties. That is the way the allocations system works in France. The National Communications and Liberties Commission created last year consists of the president of the republic, the legislature and other institutions of society. That body is independent and, in addition to authorizing and controlling allocations, it is responsible for "insuring respect for ideological plurality." Deputy Roberto D'Avila (PDT, Rio de Janeiro) of the Constituent Assembly, another face known on television, proposes the creation of a council similar to the French. "The question posed is not that of liberating everything or of state management of channels, but rather of disciplining and democratizing the policy of allocations." Based on the law in effect, former President Joao Figueiredo, for example, signed 241 allocations for radio and television in that last 5 months of his term, a number higher than that registered in the previous 2 years. One of them was for the wife of a friend of his, whose relations with television will never go beyond the "on-off" controls of the set. There are more than 1,600 radio stations in Brazil today and nearly 130 television stations. The allocations to radio must be renewed in periods of 10 years and those of television every 15 years. In the past 20 years, the majority of radio, and many of television, allocations were given to politicians who solidified their voter bases with them and in general carry out a fierce censorship against adversaries on their channels.

In the poll made by the LPM to investigate the objectives of proposed changes, the largest part of the Constituent Assembly members from the PMDB, PFL and PDS said they want to remove the political nature from allocations, and those of the PTB, PDT and PT, have the objective of preventing a monopoly. "Allocations cannot be the monopoly of anyone. The decision today is eminently political," argues Federal Deputy Paulo Pimentel (PFL-Parana), the owner of three television channels and two newspapers in Parana, all of them the result of a political decision to comply with his requests. Like water, which brings things but also carried them away, the only radio station Pimentel had, IGUACU, was cassated by the Federal Government in 1977 because of political differences he had with his adversary, who was then minister of education, also from Parana, Ney Braga. Pimentel is against state television stations. "Everything that the state can pass on to private enterprise will be better for it, because it will be freeing itself of a lemon." That trend has emerged in several countries. Beginning 10 years ago, because of authorization by the Italian Government, more than 300 private stations appeared with regional transmissions. The RAI (Italian Radio and Television) of the state has three channels for national broadcasting. In France, only two of the six channels continue to belong to the state pursuant to a 1986 law. Canada and England abolished the state monopoly. In the United States there is a system of strictly antimonopoly allocations which forces the three large national networks to compete among themselves, offering good services and programs to affiliates which, after all, make up an extremely powerful group. In Brazil, the imbalance resulting



Key:

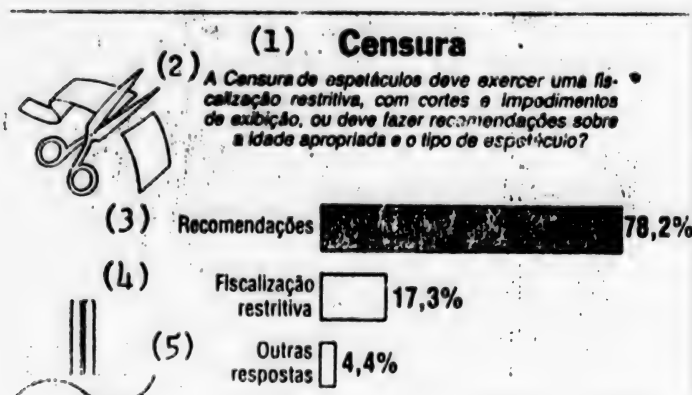
- | | |
|---|---|
| 1. Licensing of radio and television stations | 8. Public auction; only grant concessions to private enterprise. Democratization. |
| 2. Should some change be made in the present system of licensing radio and television stations? | 9. Other suggestions |
| 3. Yes | 10. Remove political nature of concessions; avoid favoritism |
| 4. No | 11. Avoid monopolies; mechanism for incentives to regional stations |
| 5. Do not know | 12. Encourage educational and cultural initiatives |
| 6. What should that change be? | 13. Do not know; need to study problem |
| 7. Allocations should be authorized by Congress of legislative commission | 14. Refuse to answer |

from the great audience attained by REDE GLOBO causes its affiliates to be profitable as libraries and the latter depend on the network like babies depend on their mothers.

Open Channels

Since March 1985, when President Jose Sarney was sworn in, a film was censored, 261 musical lyrics were finally released with deletions and another 25 had their release prohibited. Censorship also suppressed scenes in novels such as "Dona Beija," "Roque Santeiro" and "Selva de Pedra," the same thing happening with some theater offerings. In addition to keeping busy, the censor group, which consisted of 150 persons until the end of the government of President Joao Figueiredo, also grew and today guarantees employment to 220 officials. "However, there was no veto because of political questions," the director of the Federal Police Censorship Division, Coriolano Fagundes, assures us. Now in the country which the Constituent Assembly is beginning to design, that picture is going to be changed, as is indicated by the poll taken by the LPM. In none of the large parties installed there, which hold 97 percent of the 559 seats, do the legislators who favor the present system of restrictions, which allows cutting and even banning, make up a majority. "No performance should be censored," declares Samir Achoa of the Sao Paulo PMDB. Even the PDS, which supported the regime that banned art works such as Picasso's erotic drawings, and performances by the Bolshoi, believes that bans are not the best path to travel. According to the LPM-VEJA Poll, to the majority of the legislators bans should be the same as those that prevail in more advanced countries, where age limits are imposed and the public is informed before entering a cinema, for example, whether the film being shown is a pornographic picture or not. The greatest resistance in the Constituent Assembly refers to television. Deputy Sandra Cavalcanti of the PFL believes that censorship should be obligatory in that type of entertainment. "Television enters indiscriminately into people's homes," she says. "Abuses must be prevented and in this case the federal government should intervene," says another legislator of the PFL, Fausto Rocha.

There is a steadfast tradition against the effort to restrict censorship. Four months after assuming the post of the Ministry of Justice, the then minister, Fernando Lyra, went as far as to head a public event in the Casa Grande Theater in Rio proclaiming the end of the censorship that left as a result in the last 3 years of the Joao Figueiredo Government, the banning of 2,517 musical lyrics, 173 films, 42 theater offerings, and 87 chapters of soap operas. However, Lyra had to bow to the pressure of the CNBB [National Conference of Brazilian Bishops] and the will of President Jose Sarney. In a humiliating retreat on the eve of leaving the government, he banned the film "Je vous Salue, Marie," of Jean-Luc Godard. "Censorship should not be carried out by the police," declares Deputy Cristina Tavares of the PMDB of Pernambuco. That is the basic question. It will be up to the Constituent Assembly to determine who will be responsible for deciding the performance that the public may attend--an agency of the Executive Branch, as has taken place in the country for more than half a century, or the courts of justice as happens in the United States, for example.



Key:

1. Censorship
2. Should censorship of performances be exercised as a restrictive oversight with cuts and restrictions on showings, or should it make recommendations on suitable ages and the type of performance?
3. Recommendations
4. Restrictive oversight
5. Other answers

The Light of Day

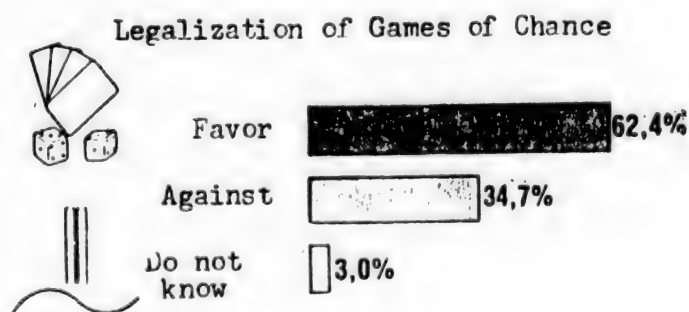
In the 1945 presidential campaign, General Eurico Gaspar Dutra promised to keep casinos legal, but 6 months later and in office, pressured by a campaign led by the Catholic Church, he signed Decree No 9215 that made games of chance illegal. According to the figures discovered by the LPM-VEJA Poll, that situation could change as of the Constituent Assembly. A majority of 60 percent of the legislators today favors legalized gambling, while only 35 percent wants to keep a ban on it in a front that joins parties such as the PT and PCB and also the PDT of Governor Leonel Brizola, who received large contributions from the bankers of the lottery in past elections.

"Gambling involves a large number of people and if the Federal Government knew how to handle it, it would obtain an immense amount of funds for social projects," declares Deputy Jose Dutra of the Amazonas PMDB, who came to Brasilia with a draft bill aimed at legalizing the casinos of Manaus, where Tome Mestrinho, brother of Governor Gilberto Mestrinho, is one of the leaders in the business. Deputy Marcio Braga of Rio de Janeiro also comes to the Constituent Assembly with a similar plan. He wants the legalizing of the lottery [jogo do bicho] but fears that the government will take advantage of that order to create a new and inefficient state company. "We do not need a Jogobras," explains Braga. "The lottery has existed for more than 100 years in Brazil and continues to maintain itself without the government."

Even before the Constituent Assembly, a total of 31 bills were circulating in Congress for the purpose of legalizing gambling. In 1946, when games of chance were forbidden, there were 70 luxury casinos operating in the country, giving employment to 40,000 people. Today, illegal, but tolerated by police authorities, it is believed that the network is made up of no fewer than 50 houses, where a movement of money estimated at hundreds of millions of dollars takes place. Similarly, the "jogo do bicho" became a millionaire investment. The present status of games of chance, banned and tolerated, creates another difficulty, however. To insure the stability of their businesses, the owners of casinos and the lottery bankers have no other recourse but to bribe the police, creating a dangerous system of corruption in which the person who is harmed the most is the one who is on neither side of the counter. A policeman who receives money not to comply with the law will certainly be less willing to protect the citizen, who supporting that policeman only with tax money, needs his protection.

"Hemorrhage"

There are several groups of arguments current against the legalizing of games of chance. "Gambling is perdition," asserts Doreto Campanari of the PMDB. PT deputies, for example, declare that the measure serves as a passport capable of guaranteeing a system of immunity to organized crime. There are also those who seek support in the economic difficulties of the country. "Legalization would create a new hemorrhage from savings books," declares Antonio Carlos Mendes T. of the Sao Paulo PFL. "The people are going to spend their savings in the hopes of realizing a dream."



[Box, p 34]

In 11 Days, the Picture of the Constituent Assembly

In an electoral poll, the polling institutes work with a minuscule sampling. In an attempt to decipher the voting by 69 million voters last 15 November, for example, most of them heard no more than 2,000 persons in each poll. To trace the profile of the members of the Constituent Assembly, LPM (Advertising and Marketing Polls) can work with a greater safety margin.

Of the 559 legislators who are going to establish a new mold for the future of the country, LPM pollsters questioned 473, which means 86 percent of the total. "The only ones we did not question were the members who were on vacation at unknown places," declares Pergentino Mendes de Almeida, president of LPM. In the last elections in which the LPM announced correctly the results in all 10 states in which it made surveys of opinion, there was a specter haunting the polling institutes: The possibility that the voters would change ideas on the way to the voting booth. For this poll, the replies obtained by the LPM are clear and direct but precede a crucial moment in political life: Collusion and understandings behind the scenes.

"All the politicians were receptive," declares Pergentino. The result of a blitzkrieg operation of 11 days of work, the poll was made by a team consisting of 22 persons. Only 25 politicians were interviewed personally in Brasilia. To reach the rest, the LPM used the telephone--an instrument that is not practical for a poll of voters because it is only available to the middle and upper class. It is used as a tool in more developed countries. Founded in 1969, at first partnered with the Burke Company, an American company, the LPM has a tradition of polls in the area of marketing and advertising, but only in recent years has it decided to enter vigorously into political surveys. Concerned with the accuracy of its figures, the LPM has a tradition of innovation in the form of surveys, such as its multivaried analyses that allow it to draw a complete picture of what the Constituent Assembly will be. "We invested in that and it turned out well," says Pergentino.

**Constituintes entrevistados
pela pesquisa (1)**

(2) Partidos	(3) Bancada	(4) Entrevistados	(1) %
PMDB	307	265	86
PFL	131	112	85
PDS	37	30	81
PDT	26	26	100
PTB	19	7	37
PT	16	15	94
PL	7	5	71
PDC	6	6	100
PC do B	5	3	60
PCB	3	2	66
PSB	2	2	100

Key:

1. Members of the Constituent Assembly interviewed in the poll
2. Parties
3. Number of seats
4. Interviewed

8908

CSO: 3342/77

COMPOSITION OF ELECTED CONSTITUENT ASSEMBLY PROFILED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Feb 87 p 5

[Unattributed report: "Group Organizes Opposition to Radicals"]

[Text] Brasilia (AGENCIA ESTADO)--Deputies of the PMDB [Brazilian Democratic Movement Party], of the PDT [Democratic Workers Party], of the PCB [Brazilian Communist Party], of the PT [Workers Party], and of the PC do B [Communist Party of Brazil] are making the initial plans for the creation of a supraparty group within the National Constituent Assembly that would be able to counter the conservatives and thus to make progress in the social and economic areas. Meanwhile, the leader of the PFL [Liberal Front Party], Deputy Jose Lourenco, is advocating the formation of a moderate bloc--also "supraparty"--to perform a function similar to that of the other bloc albeit in opposition to the leftist vision. These are two plans that may or may not gain strength and coordination in the Assembly, and inasmuch as they have not yet become reality also do not yet have any authors. In the view of experienced politicians, these groups are to be expected and are in some ways involved in the initial moments of the Assembly, although their future is not assured. In the view of others, however, these groups will exist on an informal basis, and after the Assembly's work is concluded could alter the political party picture in an almost natural way.

The National Constituent Assembly has not yet immersed itself in the work for which it was convened--the drafting of a new constitution; certain behavior trends that will be translated into its provisions have already been delineated, however. Basically, the prospect is for battles between groups and parties on the right and on the left: a circumstance that justifies plans for the formation of blocs, even if they are uncoordinated. Because of their numerical proportions, however, the most radical voices could have an impact that is merely rhetorical and inconsequential.

On the basis of the profile of the 559 elected members of the Constituent Assembly, it would be easy to assert that the future constitution will adopt a liberal model--one without strong social content--inasmuch as the majority of the members can be classified as center-right. Because significant participation on the part of the general public is anticipated, however, certain movements will inevitably exert influence and could give rise to more progressive positions.

One unique circumstance of concern to the Assembly, for example, is the emergence of nationalist "lobbies," ranging from the defenders of the integrity of the Bank of Brazil (because of the government's intention to modify its jurisdiction) to the defenders of the state enterprises, who advocate continued state control over their businesses and even the expansion of their sector. The big business lobby of the large national and multinational corporations in the agricultural and banking sectors was already a reality in Congress and has now become merely more attentive and better organized.

At the present time the Constituent Assembly still has no leadership except for its president, Deputy Ulysses Guimaraes, who has not yet disclosed whether he will retain the position of magistrate--in keeping with his office--or whether he will also fulfill his function as a member of the Assembly. There is no doubt, however, that he will exercise his leadership role, and from time to time will probably find his attention divided between the program of the party over which he presides--the PMDB--and the agenda of his current great ally, President Jose Sarney.

The majority party in the Assembly, the PMDB, still does not have a new leader in the Chamber of Deputies, because the PMDB congressional delegation is maximally divided. Consequently, whoever is chosen will have problems and will assuredly not be able to mold the party into a united entity. In the Senate--as always--things are happening more calmly, and the leader Fernando Henrique Cardoso made his entrance into the Assembly with a conciliatory speech that was moderate in concept and very different from the tone he had employed on the campaign trail last year.

The PFL delegation in the Chamber of Deputies reelected Deputy Jose Lourenco as leader. Originally with the PDS [Social Democratic Party], he is well known for his conservative views; and although his views do not precisely reflect those of the 118-deputy delegation, they are very similar: a fact that leads one to expect a very cohesive performance on the part of the PFL members of the Constituent Assembly. There are always exceptions, and exceptions can be anticipated, for example, on the part of deputies such as Maria de Lourdes Abadia (DF [Federal District]); Raquel Candido (RO [Rondonia]); Thomaz Nono (AL [Alagoas]); and Alceni Guerra (PR [Para]).

The members of the Constituent Assembly who are farthest to the right are to be found in the PDS, starting with the party's leader in the Chamber of Deputies, Deputy Amaral Neto. The PDS leader in the Senate--and president of the party--Jarvis Passarinho is advocating a reformist position, which goes so far as to include agrarian reform, provided it is limited to unproductive large landed estates. The PL and PDC [Christian Democratic Party], small and not very influential parties, are positioned between the two PDS schools of thought. The PTB [Brazilian Labor Party], without any ideological position, is tending to follow the rules of the predominant game in the Assembly--that is to say, those of the PMDB leadership.

The situation with respect to the parties of the Left is much less clear. The PT, PCB, and PC do B will probably do as they always do: the PT will listen to its rank and file, and the other two their respective leaderships. Their

respective congressional delegations--with little numerical fire power--will act in unison, without dissent.

Changes in the political party lineup are expected to take place before the end of the deliberations of the Constituent Assembly, and perhaps already exist in the embryonic stage in the discussions with respect to supraparty blocs. The leader of the PFL, Jose Lourenco, is discussing the formation of the moderate bloc, while a number of deputies of various parties (all of which are left-oriented, however) are advocating a different bloc for which no name has as yet been proposed.

The PT has stepped out front in behalf of the formation of the leftist bloc: the party's delegation in the Chamber of Deputies resolved that its 16 deputies should actively make contacts in the Assembly with a view to obtaining an equivalent influence. In the PDT, Deputy Lysaneas Maciel (RJ [Rio de Janeiro]) insists that he can count on 37 members of congress to form the basic nucleus of this group, all of whom have firm ideological convictions.

In the PCB, Deputy Augusto Carvalho believes that these alliances will represent the major challenge of the Left in the Constituent Assembly and that they can be expanded--or not--as the discussions dictate. The Brazilian deputy believes it will be possible for the bloc on occasion to include even PDS members when, for example, the national sovereignty is at stake. He points out that the CUT [Sole Central Organization of Workers] and CGT [Union Headquarters] will also have their say in the Assembly, through their representatives.

This leftist bloc speaks in terms of a coordinated effort, something that Senator Mario Covas (PMDB-SP [Sao Paulo]) believes is impossible; he thinks the great unifying element of the Assembly will be the political parties. Covas accepts the concept of blocs only in connection with the debate--and vote--on the most sensitive questions, such as the right to strike and the scope thereof, and the sliding scale for wages. He believes, however, that the PMDB will be united in respect to the essential point: the insertion of its platform into the Constitution wherever appropriate. "The party will be faithful to its traditional role--to its platform--and also to its street tradition: to what it has preached and to what it is demanding," Covas adds.

The senator acknowledges that there will be changes in the political party lineup, but believes they will tend to be reflected in the growth of the PMDB rather than the withdrawal of its component elements. He declares that those elected under the PMDB label have such a clear commitment to the party that they are obligated not to work in association with groups. "If that were logical," he says, "the concept of autonomous representation would have prevailed at the time the Constituent Assembly was convened. No one arrived here unattached, and the basis for action will be political affiliation."

Covas is convinced that the Constitution of 1987 will be superior to that of 1945, based on the argument that society requires something more than mere liberalism. He explains, however, that there is no determinism in the progressive leadership, and that is precisely why hard work and close attention will be necessary to achieve this goal.

Jarbas Passarinho, chairman of the PDS and its leader in the Senate, believes the formation of blocs in the Assembly is inevitable: blocs that will group together members of very different parties for the purpose of unifying their votes. He believes this will take place in a completely natural manner.

Passarinho believes that at the conclusion of the Constituent Assembly and as a consequence of the positions held in common, a party of the democratic center will have for all practical purposes been formed, grouping together the self-described liberals of the PFL and PL; the reformist elements of the PDS; a substantial part of the PMDB; and virtually the entire PTB.

In Passarinho's opinion, the predominant debate in the Assembly will be between radicals and reformists. The radicals--the senator says--will be in favor of a unilateral debt moratorium (against Lenin and Fidel Castro as well), whereas the others will fight for a rescheduling of the debt and reduction of the interest rate spread. With respect to agrarian reform, the radicals will attempt to expropriate everything--as a first step toward collectivization--while the others will agree only to having the unproductive great landed estates affected.

On occasion, however, Passarinho has conceded that moderates accept nationalization of the banks, but only because these moderates represent business sectors that are exasperated because of the increases in interest rates and the financial costs of production.

In any case, the senator for Para is of the opinion that the Assembly leadership--which is moderate--will set the tone for the deliberations. He recalls that Deputy Ulysses Guimaraes was following one line only yesterday but is today acting in a very different manner--"in an example of the reverse of the usual practice"--solely because he has also accumulated the responsibility of participating in the governmental decisions in addition to the formal positions he occupies. According to the senator, this policy adopted by Ulysses is also being followed by the PMDB leader in the Senate, Fernando Henrique Cardoso, and by his counterpart in the Chamber of Deputies, Pimenta da Veiga. Passarinho also asserts that this trio--which was only recently the object of distrust--now has support even among the military.

Noting Ulysses Guimaraes' "French propensities," Passarinho remarked sarcastically that as a deputy today Ulysses is much closer to former president Giscard d'Estaing--a conservative--than to Francois Mitterand, a socialist, and that for all these reasons it is possible that Ulysses will become "a fellow traveler" of his in the National Constituent Assembly.

"Leave My Grandfather Alone"

"Let my grandfather rest in peace," was the reaction yesterday of Minas Gerais deputy Aecio Neves (PMDB) upon being informed of the PFL leadership's initiative calling for the formation, in the Constituent Assembly, of a moderate centrist bloc to be called the Tancredo Neves Bloc. PFL leader Jose Lourenco, who was received Tuesday night by President Sarney, did not deny that he had brought up the idea at the presidential palace. He said afterward that "the

president is a moderate and must have liked the idea." He justified the name of the group that is being proposed by saying that Tancredo Neves was the symbol of conciliation and moderation and that nothing could be more fitting than to honor his memory.

Lourenco believes that the Tancredo Neves Bloc will have an absolute majority in the Constituent Assembly and will consist of at least 300 members of congress, according to his initial estimate. The assertion that it will be a Center-Right group does not constrain him. His rationale is that if there is a Center-Left, what more natural than the emergence of a Center-Right group? The PFL leader's argument, however, was not well received by some members of his own party. In the opinion of Deputy Inocencio Oliveira (PE [Pernambuco]), a Center bloc would be fine, a Center-Right bloc, no. "We cannot, for example, accept Delfim Netto, Amaral Neto, or Bonifacio de Andrada. I was a PDS dissident because of these people," the deputy declared. Oliveira is one of Minister Marco Maciel's closest allies in Congress.

In the view of Deputy Roberto Cardoso Alves (PMDB-SP [Sao Paulo]), the moderate bloc is the inevitable consequence of the debates in the Constituent Assembly. "The congressional delegations that hold similar views need to be organized," he has said. This opinion is shared by Senator Jarbas Passarinho and Deputy Konder Reis, both of the PDS. They add only that each case is an individual case. "It might even turn out that on some issues our vote will be the same as that of Deputy Luis Inacio da Silva," they say.

The leader of the PTB, Deputy Gastone Righi, was more cautious, declaring that the moderate bloc might dilute the respective party leaderships. The first symptom of this problem has already been noted: Ulysses Guimaraes telephoned Jose Lourenco to discuss the matter; his concern is the possibility that the Tancredo Neves Bloc could have the effect of causing the collapse of the Democratic Alliance in the Constituent Assembly.

10992

CSO: 3342/75

DISORIENTATION OF GOVERNMENT, COUNTRY ANALYZED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Feb 87

[Article by Carlos Chagas: "The Country and Government Are Disoriented"]

[Text] The question heard most today is: "What is happening?" A number of unusual actions and incidents follow each other, with the civilian society bent on criticisms, complaints and even arguments against the government. From all the sectors, political parties, and even from the government itself, there appear doubts, perplexities, protests and condemnations without parallel. There is talk of the hesitation and inability of the government to deal with the economic crisis and from that there arise protests, accusations and disobedience. An abyss of large proportions is opening up. Is it a spontaneous thing? Orchestrated? Where is it leading? Pessimists foresee that from that incoherence comes division, allowing changes in the medium and short term, including coups d'etat. Optimists rely on the storm passing, as other similar or worse storms have passed. Realists look askance at the National Constituent Assembly.

Aureliano Chaves, minister of mines and energy, believes that with a maximum of demagoguery, elections can be won, and openly attacks the economic-financial policy of the government to which he belongs. Pedro Simon, elected governor of Rio Grande do Sul, one of the leaders of the PMDB [Brazilian Democratic Movement Party], compares the present situation to that of the Chile of Salvador Allende. Jose Richa, also of the PMDB, but of the more moderate faction, manages to show himself to be more apprehensive than his colleague. Simultaneously, the PFL [Liberal Front Party] gives the impression that it is on a war footing and it swings its machinegun alternately at the PMDB and Planalto Palace, despite the fact that both the Liberals and the PMDB are part of the government. Union leaders do not want to talk and already are saying that there is a need for another general strike, while businessmen keep their batteries trained on Planalto Palace. There is unease in the middle class. There is exhaustion in the working class.

A convoy of 20,000 farmers arrived in Brasilia yesterday and the least they did was to jeer loudly at the president of the National Conference of Agriculture. If Minister Iris Rezende had appeared at the stadium where they had gathered, he would have been lynched as a minimum.

The radical ranks in the National Constituent Assembly are swelling, ranks that before were at most estimated at 20 percent. From defense of the full sovereignty of the Constituent Assembly, many are now advocating the unconstitutionality of everything, beginning with the term of President Sarney.

Each one of those incidents by itself would have an explanation, but all together lead to the initial question: What is happening in the country?

The first to answer is the president of the republic. On Wednesday morning, when he received the minister of aeronautics on official business, Sarney also emphasized that the economic crisis is essentially a passing thing and will be overcome in a few months. He acknowledged shortcomings in the Cruzado Plan but he does not forgive the business class, or part of them, who in his words have refused to collaborate with the government. To PMDB deputies in the afternoon, he criticized bitter union leaders and he emphasized that he will not issue any new economic packages. He believes in overcoming the impasse by means of the changes now underway and others that will come naturally. He does not stop praising the economic team, beginning with Dilson Funaro, and he denies that he intends to replace him.

That is the view of the president, who tends to be optimistic and rejects the possibility of either galloping inflation or a recession. Even so, he also did not neglect to prepare himself politically this week when he appointed Carlos Sant'Anna as leader of the government in the Chamber. With that gesture, he did not allow the assimilation of Luis Henrique, who was elected leader of the PMDB yesterday. By dissociating the two functions, previously exercised by a single leader, that of the PMDB, Sarney seeks to neutralize the PMDB left of which Luis Henrique is a representative. Perhaps he wants Carlos Sant'Anna, a moderate, to begin to form the PJS, the Jose Sarney Party. Vouched for in the Chamber and the Congress which means vouched for in the National Constituent Assembly, it would restrict the effects of the agitation among the civil population, gaining time and avoiding adventures and oddities such as the reduction in his term in office.

After the head of government, to whom shall we turn with the question about what is happening in the country? To the military? They have a ready answer. For Ministers Leonidas Pires Goncalves of the Army, Octavio Moreira Lima of Aeronautics and Henrique Saboia of the Navy, Brazil faces obvious economic obstacles that arouse discontent and apprehension but they can be overcome. What is important is to keep the institutions operating. There are difficulties throughout the world and it will not be defeatism that will overcome them.

In the present picture, the armed forces are retracting. They are subordinate to civilian authority, as are the three ministers individually. They even seek to avoid giving the impression that they act or think as a unit. Each of them takes care of the body under his command without going afield, except when questioned in informal conversations. They did not like, obviously, the theory supported in some constituent circles that the armed forces should withdraw from the mission of insuring domestic order.

This does not mean tanks, combat cars and machineguns in the streets, not even for preventing clashes in striker demonstrations. They would prefer that it would not happen. The defense of domestic order to them does not mean that the Army, Navy and Aeronautics should police the streets or perform duties as gendarmerie. They would not like, however, to see the break in republican tradition that gives the military constitutional prerogatives for maintaining the institutions when they are threatened. Sovereignty, territorial integrity and public peace are not only threatened from outside. Minister Octavio Moreira Lima recalls the Canudos episode. Who would defend national unity in that case if the armed forces were not insuring domestic order because of provisions of the new constitution? Would commissioners of the Civil Police be enough? Would even the Military Police be enough in case of clashes between states?

The chief of the SNI [National Service for Intelligence], General Ivan de Souza Mendes, shows optimism, even acknowledging the economic crisis. To him, work, effort and sacrifice are the guarantee for overcoming the impasses. Like his uniformed colleagues, he believes it to be essentially democratic that the National Constituent Assembly discuss everything, including, if it came up, proposals for the abolishment of the armed forces. They expect that good sense will prevail.

Among the ministers of government there is hell to pay when asked what is happening. With some exceptions, publicly most of the ministers conclude that nothing is happening, just an economic crisis. Aureliano Chaves was an exception with his criticism. The rest repeat the arguments made by Sarney. They believe the situation is difficult but temporary. Privately, the talk is different. It is so different that the person in charge of establishing a government media policy went as far as to suggest that no one in the federal administration should ever again speak "off the cuff" to newsmen.

There is no unity among the ministers as to what is happening. Different groups of opinion are formed depending on the discussion of each subject, but generally the economic-financial leaders see themselves isolated and cornered by their own comrades. "The government needs to begin to govern," said Celso Furtado, Raphael de Almeida Magalhaes and Almir Pazzianotto a short time ago. Referring to those responsible for economic initiatives, one of them said: "We do something and they undo it."

Like Aureliano Chaves, a certain minister suggests changes in course. Another speaks of filling various spaces with political propositions, as did Aluizio Alves 2 days ago. Incidentally, he is one of the few who does not attack the economic-financial leaders. Paulo Brossard of the Ministry of Justice until Sunday was a dogged critic of former Central Bank President Fernaldo Bracher because of the unreasonable rise in interest rates. Marco Maciel, the administrative coordinator, is the object of vitriolic analyses by his colleagues for having tried to change the Civilian Household into what Delfim Netto in the past turned into SEPLAN [Secretariat of Planning]:

A minigovernment within the government. Having withdrawn from the throne to behind the scenes since the electoral defeat of the PFL in November, the former governor of Pernambuco is waiting out events. As he told the liberals on Monday, he could return to the Senate and he could remain in the Executive Branch, a decision also depending on the economic crisis no matter how ironic this may seem. In case Sarney were to arrive at the conclusion, that despite all the support given it will be necessary to replace Funaro and Sayad, the minireform would conclude by becoming a broad reform.

What does the PMDB believe is happening? To the most orthodox group with Ulysses Guimaraes at the head, what is happening is simply the unfurling of the process of democratic transition. It could not be different, because while things may be going badly with the Sarney Government, they would be worse in case of haste or risk taking. The Sao Paulo legislator spoke of that yesterday. The identification of the party with society must be maintained and because of that criticism must not be muted when it is justified as a form of collaboration and even of integration.

The independent left of the PMDB no longer thinks like that. Its participants begin by questioning the institutions created around the existing constitution, that is, they give the transition a semantic meaning different than that given by Ulysses Guimaraes. Maurilio Ferreira Lima, in their name, would like to revoke the election of President Sarney himself, imagining that an end to the economic crisis could be accomplished by rescinding the constitutional aspects.

It is different in the PFL. In Monday's meeting at the home of Marco Maciel, the liberal leaders did not spare the government. Aureliano Chaves emerged from it hours later talking like Delfim Netto and Leonel Brizola have been talking. The case of the minister of mines and energy could be special. He always had a short fuse, or no fuse at all, as they say. However, his comrades, making their discontent reach public opinion, are firing with a gun with a bent barrel. At heart they want to hurt their great adversary, the PMDB, and they are even enchanted to hear "that it is the economic policy of the PMDB that is not working." At the time of confrontation or splitting away, they decided to remain with President Sarney.

For the small parties, although not for all of them, the worse, the better. What is happening in the country is not what they wanted to happen, they wanted divisions, chaos and confusion, because only from that would they obtain some immediate advantage. Luiz Inacio da Silva and the PT [Workers Party], as well as Leonel Brizola and the PDT [Democratic Workers Party], do not have the assets that the PMDB itself has. The least they desire is to pass an eraser over the country (like a school child) and then write in it what is best for the satisfaction of their own interests. As for the PDS, there is little to say. It wants nothing, perhaps just to be forgotten for a little while longer.

As far as the businessmen are concerned, what is happening is that the government is losing control of the country despite recent initiatives that freed prices. That is why they criticize it. They wait to see what the new president of the Central Bank will do in matters of interest rates.

For the wage-earning class, finally, the same thing is happening that has been happening for many years. The economic crisis brought about by errors, illusions, or by factors beyond the control of the government, will end where it always ends.

8908

CS0: 3342/76

PETROBRAS DENIES DISCOVERY OF LARGE NEW FIELD IN CAMPOS BASIN

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Feb 87 p 23

[Text] The new oil field discovered by PETROBRAS [Brazilian Petroleum Corporation] in Campos Basin 14 kilometers from the gigantic Marlim field is not an extension of the latter, nor can it at present be regarded as of large size, given the necessity of drilling two more holes in this area to obtain a correct evaluation of its reserves.

PETROBRAS denied yesterday in Rio de Janeiro that it had discovered a gigantic new field in Campos Basin with the discovery of oil in the well "Rio de Janeiro Underwater 359" (acronym: 1-RJS-359), with a flow of 1,070 barrels. The estimates of reserves that have been published--between 300 million and 400 million barrels--have not been officially confirmed by PETROBRAS.

The PETROBRAS technical experts have chosen to adopt a cautious attitude with respect to data concerning the new discovery, especially in view of the 1,250-meter overlay of water (distance between the surface and the bottom of the sea) in which the well is situated. This is because there is still no technology available anywhere in the world for the production of petroleum at that depth: only for exploratory drilling. In Brazil the deepest well so far brought into production is located in the Marimba field--also in Campos Basin--at a depth of 411 meters.

The PETROBRAS technical experts have also ruled out the possibility that the new field is an extension of the Marlim field--a circumstance that would substantially increase the latter's reserves, which are estimated at approximately 2 billion barrels. This conviction on the part of the technical experts is based on the existence of a series of dry wells drilled between the two areas, and also on the fact that the production obtained at Well 359 has been very small, indicating a productivity far below that of the wells drilled in the Marlim field, which are expected to produce an average of approximately 10,000 barrels per day.

To evaluate the volume of reserves contained in the new pool, PETROBRAS has already approved the drilling of two more exploratory wells in its area. These will be "Rio de Janeiro Underwater 357," to a depth of 1,200 meters, and RJS-358, which will attain a depth of 1,680 meters.

10992

CSO: 3342/75

MILITARY OFFICERS DISCUSS MILITARY ROLE WITH INTELLECTUALS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Jan 87

[Text] Almost 100 years after the proclamation of the Republic, when war and military affairs became a practically exclusive topic for the armed forces in Brazil, general officers of Aeronautics and the Navy are discussing the functions of the armed forces in a democracy with a group of intellectuals. They accept the subordination of military authority to civilian authority, as well as the discussion of new military and international strategic policies with the universities in the example of what takes place in the United States.

The first act of that approximation between the military and intellectuals took place in March last year, when Minister of Aeronautics Octavio Moreira Lima authorized a group of 12 officers (nine brigadiers) to discuss the subject with eight civilians in a seminar organized by the "Society of Coexistence Center for Strategic Studies." In September it was the time for discussions with the Navy-six admirals and seven civilians in the debate. In October, it was once more with Aeronautics, this time with the participation of a diplomat and a general of the army, member of the Military Superior Court (STM).

In a report prepared by the office of Moreira Lima on the first seminar, an officer explains that the minister authorized the discussion because he considered it an excellent opportunity for an approximation by Aeronautics with the academic medium as part of a general strategy for the elimination of any remaining prejudices among civilians with respect to the military.

In another report, this time prepared by an admiral, it is revealed that the six admirals who participated in the second seminar were unanimous in saying that the strategic function and personnel of the armed forces (they spoke for the Navy) has to be discussed with civilian society. "It is strange to note that the admirals were the ones to insist on this question and indicated Congress as an important forum for such an understanding," writes the reporter.

About the third seminar, once more with Aeronautics, the last report states clearly that the sponsors of the meeting (Aeronautics and Society of Coexistence) understood that the best way to increase mutual understanding would be by opening to civilians the discussion of military and strategic topics to give "a complete demonstration that they should not continue to be a sort of monopoly of the armed forces bodies," explains the report.

Civilian Authority

That careful approximation between the military and intellectuals appears to be on the right track--says one of the main organizers of the seminars, Antonio Carlos Pereira, director of the Society of Coexistence Center for Strategic Studies. "Political authority should control the military," says Pereira. In order for the civilians to control--or at least influence--the formulation of military strategies, he believes that it is necessary that there be university study centers on the subject.

Brazilian military men acquired almost complete independence in the formulation of military strategy 98 years ago when they led the movement that proclaimed the Republic in 1889. During the entire period of the Empire, recalls Antonio Carlos, Congress maintained an effective control over the armed forces. Since then the army had only one civilian minister, Pandia Calogeras (1919-1920), and Aeronautics another, Salgado Filho (1941-1944).

The objective of the group of intellectuals, such as Oliveiros Ferreira of the University of Sao Paulo, Walder de Goes of the University of Brasilia, Joao Quartin de Moraes of UNICAMP [State University of Campinas], and Paulo Bonavides of the Federal University of Ceara, is to encourage the creation of military and international strategic study centers in the country. The foreign and military policy of the United States, says Pereira is periodically influenced by institutions such as the Brookings Institute of Washington or the Hoover Institute of Stanford University. The foreign policy of former President John Kennedy, for example, was based on the thinking of scholars of Harvard University, while that of the beginning of the Ronald Reagan Administration was influenced by the Institute for Strategic Studies of Georgetown University in Washington.

"The New Republic brought such great awareness that military authority should be subordinated to political authority that it reached the military men themselves," declares Antonio Carlos Pereira. "Although there exists a certain reluctance among the more intellectual civilian sectors to discuss the subject," concludes the director of the Society of Coexistence Center for Strategic Studies, which was created in 1961 by a group of Sao Paulo intellectuals.

The group has already managed to schedule a third seminar with Aeronautics next April. On the agenda: "Strategy of Deterrence" and "Ministry of Defense." According to Antonio Carlos Pereira, the opening of channels of communications with the Army continues to be more difficult.

Surprised Civilians

While it was not yet possible to learn what army officers really think about the new role of the armed forces in a democratic system, discussions with officers of Aeronautics and Navy--a minority of the officer corps--brought surprises to even the most experienced scholars on the subject. They are trying to create a new image of the military before civilian society so as to put an end to the mutual distrust of the last 25 years. They also speak clearly about subordination to civilian authority except that they do not agree with the intellectuals as to how to make it operative.

"It is strange to observe that while the military men present declared the suitability of submission to political power through the strengthening of that authority and the effective functioning of democracy and the State, some civilians thought more about 'weakening' military power (legal and institutional weakening, obviously) than about 'strengthening' civilian society and political power," concludes the report by the admirals on the seminar with the navy.

The reports on the three seminars prepared by the offices of the ministers of aeronautics and the navy are fundamental parts for revealing the true thinking of the officer corps. The reports were prepared for internal consumption, particularly for the ministers.

Participating in the first seminar from 14 to 16 March were Lieutenant Brigadiers (four stars) Clovis Pavan and Cherubim Rosa Filho; seven other brigadiers and two colonels, in addition to eight civilians such as Antonio Carlos Pereira, Oliveiros Ferreira, Antonio Paim and Paulo Bonavides.

Participating in the second seminar with the navy from 5 to 6 September were six admirals and seven civilians such as Jose Goldemberg, Quartin de Moraes, Renato Ticoulat, Oliveiros and Pereira. Present in the last seminar from 2 to 4 October were Ministers of the Superior Military Court Sergio Ari Pires (Army) and Deoclecio Siqueira (Aeronautics); six other brigadiers and five colonels, in addition to 10 civilians such as Adolpho Grippa and Paulo Kramer, and one diplomat.

The first report from Aeronautics says that the invited military men spoke in their own name and did not concern themselves with appearing to be united or trying to avoid differences. None of them was authorized to speak in the name of Aeronautics or the armed forces. It also reveals that the military men present felt that the professors present still maintained much distrust with respect to the armed forces but understood those attitudes "in view of the resentments resulting from our recent past."

It also relates that the professors based themselves on the supposition that the armed forces wanted to maintain their legal status quo, while the military based themselves on the conviction that they did not aspire to any

privileged position among the institutions of the Republic. "It also seemed to them that the professors were not up to date on the changes that have taken place in the profiles of the military men," comments the reporter.

The discussion with the Navy delved deeper into the debate on the role of the military in the next constitution, at which point there emerged with great force--according to the report--an antimilitary distrust (particularly anti-Army) and the defense of ideas on constitutional restrictions and control over the armed forces.

Also according to the report, the admirals were unanimous--in independent statements--in their desire to become part of a constitutional order headed by political authority, always saying that such authority needs to be strengthened and made efficient in dealing with national problems. In this way, they argued, military submission would be easy and routine.

The last seminar with Aeronautics was more technical than political. Minister Moreira Lima appeared at the end.

The report states that he said he recognizes that the establishment of a strategy that actually corresponds to national yearnings presupposes the existence of cooperation among government branches. "That cooperation does not actually exist," says the reporter, "it could be said that the military has cultivated a certain hermetism. However, collaboration, particularly between the Executive and Legislative is a question of democratic practice," it concludes.

8908

CSO: 3342/76

EMFA HEAD VIEWS MILITARY ROLE UNDER NEW CONSTITUTION

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Feb 87 p 21

[Article by Helio Contreiras: "Paiva Wants a Country Without Military Bosses"]

[Text] "The inauguration of the deliberations of the Constituent Assembly is a historic moment that calls for reflection on the future of the nation and warrants optimism, for Brazil has the capability to overcome its most serious problems. What one hopes is that our country will not continue to be vulnerable to military bosses--whose primary objective is to hold power--to the detriment of civilian government and the national interest," the minister-chief of staff of the armed forces, Gen Paulo Campos Paiva, told O ESTADO DE SAO PAULO yesterday.

The general went on to say that the armed forces "have no partisan political ambitions, and the new constitution should keep them under the command of the civilian government, that is to say, of the president of the republic in his capacity as supreme commander." The general declared that "the traditional prerogatives of the armed forces" should also be maintained, and "in particular the responsibility for the preservation of domestic order, under the direction of the president."

The minister said it is normal for constitutions to be revised and perfected, to make them more consonant with the actual circumstances of a nation. He said the new constitution should reflect the essential aspirations of Brazilian society: social peace, guarantees of civil rights, equality of opportunity, preservation of our cultural heritage, national sovereignty, guarantees of Brazil's territorial integrity, and institutional stability.

In the opinion of General Paiva, the new constitution can create the legal mechanisms for strengthening the nation by endowing it with a more just society compatible with the level of development that the nation has already achieved in the past 50 years, "a level on which it has begun to compete with major powers in the world market."

"I can only view with optimism the inauguration of the deliberations of the Constituent Assembly, because it is only through ignorance of our country's history that one can fail to be optimistic, even despite the difficulties that arise but that can gradually be overcome by the national potential expressed in terms of human resources, the valor of the individual Brazilian, and very extensive natural resources," the general said.

In his remarks concerning the constitution to be drafted by the members of the Constituent Assembly, Paulo Campos Paiva placed special emphasis on the guarantees of civil rights and the basic freedoms. The members are beginning their sessions today, under the chairmanship of a member of congress who admits he holds views in common with the aspirations of the armed forces: Ulysses Guimaraes, who in an interview granted to O ESTADO DE SAO PAULO supported the thesis that the armed forces should have responsibilities in connection with the maintenance of domestic order, under the command of the president of the republic.

According to the minister of the EMFA [Armed Forces General Staff], at this historic moment of the inauguration of the deliberations of the Constituent Assembly the armed forces are doing as they have always endeavored to do: namely, being attentive to their professional responsibilities, faithful to the principles of the Brazilian people, and faithful to their commitment to respect the democratic legal system.

This is the position as outlined by General Paiva and by his colleagues of the Navy, Adm Henrique Saboia; of the Army, Gen Leonidas Pires Goncalves; and of the Air Force, Brig Gen Octavio Moreira Lima. There is no rift between Brazilian society and the armed forces at this moment of the inauguration of the deliberations of the Constituent Assembly.

10992

CSO: 3342/75

ARMED FORCES PRESSURE ON CONSTITUENT ASSEMBLY MEMBERS DENIED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jan 87 p 2

[Text] Minister of Aeronautics Brigadier Octavio Moreira Lima denied yesterday in Belo Horizonte that the armed forces have a pressure group or lobby [in boldface] for working with the members of the constituent assembly. The three branches of the service, he asserted, have no need for using that method. Moreira Lima admitted, however, that advisers of the Army, Navy and Aeronautics are following the activities of the members of the constituent assembly" so as to defend the points of view of the armed forces." That work according to the minister, is traditional and is aimed only at defending the position of the military "which up to now was insured by all the Constituent Assemblies since the first one in 1891."

The Minister, who came to Belo Horizonte especially to inaugurate the first Aeronautics library open to the community, averred that it is necessary to clarify many points which have been distorted by the way in which the mission of the armed forces is presented. Moreira Lima said that his point of view is the same as that of the other military ministers, that is, the same position traditionally assured to the armed forces by other constitutions should be maintained.

With respect to the military lobby, [in boldface] Minister Moreira Lima said that the military area has always played that role with the legislators. "What we do," said the brigadier, "is to follow projects of interest to our sector. It is a continued work and it shall be maintained as it always was."

Reports that the armed forces have reservations about Deputy Fernando Lyra, who is competing for the presidency of the Chamber, are not true according to the minister, who reaffirmed that those are affairs which are the complete responsibility of political leaderships. The military, he said, have nothing to do with that.

He also described as false the reports that Brazilian Mirage in boldface aircraft are being equipped with Israeli cannon. According to Moreira Lima, that information is not true, although Brazil is a sovereign nation and may deal with any country in the world.

8908

CSO: 3342/76

AIR FORCE PLANS LASER-GUIDED HYPERVELOCITY MISSILES

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jan 87 p 2

[Article by Roberto Godoy: "Laser Will Guide FAB Missiles"]

[Text] The AMX tactical fighters the Brazilian Air Force begins to receive in 1988 will be equipped with hypervelocity missiles in the 90's. They will be constructed of depleted uranium or tungsten, designed to literally pulverize their main targets: battle tanks and armored vehicles of any type.

That very advanced weapon carries no explosive warhead and is made of one piece. It is launched at 5,500 kilometers per hour and is guided by a laser beam. Flying a little more than 3 seconds to the target, that kinetic arrow releases enough energy at the moment of impact to produce heat of around 4,000 degrees centigrade. "The most sophisticated armor known cannot withstand that thermal process," according to the president of Orbita--Aerospace Systems--Engineer Vito Di Grassi, who announced the program yesterday as "The first of the second generation missiles of the company." The devices for the same purpose now in use fly at speeds of between 370 and 1,000 kilometers per hour, detonating explosive or armor piercing charges.

Orbita is the result of a consortium made up of ENGESA [Specialized Engineering, Inc.], EMBRAER [Brazilian Aeronautics Company], ESCA and a minority group of companies led by IMBEL [Ordnance Industry], and was created officially yesterday when the first general assembly of stockholders was held for the creation of the executive directorate. The initial capital of the company is 70 million cruzados to be collected throughout 1987.

The group is now developing three light conventional missiles: the anti-tank Leo for the Army, based on Italian technology of the MAF of Oto-Melara and guided by laser; the Mol (formerly 'Piranha'), an air-to-air Sidewinder type for the FAB; and an own initiative design medium range ground-to-air missile not yet named.

Cheap and Deadly

The HVM (Hypervelocity Missile) should in coming years lead to another confrontation between ENGESA and AVIBRAS [Aerospace Industry], leaders in the national military industry, in whose plans for the next decade are also included weapons of that type. According to AVIBRAS spokesman, Engineer Pedro

Vial, technical details of a version conceived for operation in the area of Mach 5.7, nearly 7,000 kilometers per hour, is already in the preparation phase "although it is an idea of slow and sure maturation." Technologically, it is a system based on a carbon laser mounted on a launching aircraft, whose light beam provides accurate information as to distance, position and depth of the target. A small antenna in the missile receives the data and assumes navigation during the very short flight (maximum range of 6 km or 4 seconds) in which the small dart is stabilized only by the fixed fins on the rear section.

RAM Technology

The main technological problem of the project, in the belief of Brazilian specialists involved in the undertaking, is that of the Ram-Jet type motor. At this time only the U.S. Company LTV-Vought has had success in the miniaturization of the mechanism that provides a special method of thrust that combines constant force and acceleration. An old research program of the Aerospace Technical Center known as "Project Uira," may contribute decisively to the mastery of the capacity to build a Brazilian ram jet. Nearly 30 years ago its authors were already working on the theoretical principle of that type of propulsion. The international market for the HVW is estimated at nearly \$150 million per year beginning in 1989 by the U.S. Air Force Weapons Laboratory, which mentioned that figure in the bidding opened in 1981 for the qualification of manufacturers responsible for the development of the new principle. The winning LTV-Vought group, received financing of \$11.2 million in the status of prime contractor and at this time it is already offering its product to its customers in Europe.

The Orbita hypervelocity missiles will emerge from the engineering drawing boards in approximately 30 months, and conform to known specifications, however, later, there will be a second phase in which configurations will be larger and even faster: above 12,000 kilometers per hour, a goal similar to that of the U.S. suppliers.

The new company will have its headquarters in Sao Jose dos Campos. Brigadier Hugo Piva will be its scientific deputy director.

On the pilot's instrument panel, the carbon laser sensor will show the position of up to 10 or 12 combat tanks, armored vehicles, and so forth simultaneously, transferring the different coordinates and each "lighted" target to a certain missile. A fighter-bomber such as the subsonic AMX, heavily equipped with computers and prepared for flying rapidly at a low altitude, could in a single maneuver launch two bursts of a total of 24 missiles, considerably diminishing the dangers of anti-aircraft defenses. The weight of the hypervelocity device is estimated at no more than 2.2 to 2.5 kilograms and the price per shot is extremely attractive: \$2,000 to destroy a tank costing \$2 million, for example, the same cost as present day antiarmor missiles and the equivalent of 10 percent of the cost of an airborne model of the latest generation such as the U.S. Wasp. Another advantage, unlike all the types now in use, is that a hypervelocity missile is not vulnerable to electronic misguidance measures.

ARMY TO INSTALL FIRST AIRBORNE BATTALION IN TAUBATE

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Feb 87 p 2

[Text] The Army will install its first aviation battalion in Taubate. This will be the first step in the process of equipping the ground forces with modern helicopters that can guarantee their mobility, the lack of which--in certain regions--has impaired the performance of this military institution. This information was supplied yesterday to O ESTADO DE SAO PAULO and JORNAL DA TARDE by a highly placed source in Army headquarters.

Creation of this battalion in Sao Paulo State will carry out the plan of Minister of the Army Leonidas Pires Goncalves, whose goal it is--during his tenure in office--to update and modernize the Brazilian Army technologically, not only in terms of its logistics and operations but also in respect to its administration and materiel.

Although the plan for the creation of the Army aviation arm did encounter some initial prejudice among officers of the Air Force Reserve--who saw it as the beginning of probable future greater ambitions on the part of the Army--it is now going forward with the support of the Brazilian Air Force itself.

In implementing his plan to create the Army aviation arm, Leonidas Pires Goncalves has also received the support of the general staffs of the Air Force and Navy, which placed their health service installations--and their extensive experience in the operation of helicopters--at his disposal for testing pilot trainees. Once the initial problems were overcome, General Leonidas decided to speed up the process of installing the aviation battalions.

In the Amazon Region

The Second Battalion of Army Aviation is to be installed in Manaus, precisely in a region where the ground forces are most in need of mobility, despite the fact that they do have the support of the Brazilian Air Force.

No decision has yet been made as to the kind of equipment--more specifically, the kind of helicopters--that will be acquired for the aviation battalions of the Brazilian Army. This will not be a problem, however, according to a source in the minister's advisory council.

As soon as the Federal Government decides on the company that will be in charge of creating the helicopter industry--and also its foreign partner in this project--the Army will be able to select the type of helicopter with which it will equip its aviation battalions.

The announcement of the bidding is now ready at the Ministry of Industry and Commerce; it is based on the studies carried out by the commission consisting of representatives of the military ministries; the Armed Forces General Staff (EMFA); and the Ministry of Mines and Energy. While the Brazilian market had not been viewed as favorable for a helicopter industry (as businessman Osires Silva acknowledged when he was head of EMBRAER [Brazilian Aeronautics Company]), with the creation of the Army aviation arm the outlook for such an industry has now changed for the better and can now justify the existence of a domestic helicopter enterprise.

The following companies have already indicated their interest in entering into a partnership with a Brazilian company for the production of helicopters: AEROSPATIALE [National Industrial Aerospace Company] (French); Augusta (Italian); Sikorsky (U.S.); Westland (British); and MBB (West German).

10992

CSO: 3342/75

LIMA CALLS INSTALLATION OF HELICOPTER PLANT INAPPROPRIATE

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Mar 87 p 6

[Article by Zenaide Azeredo]

[Text] "A developing country such as ours, short of cadres and of capital, even given a firm political decision, great determination and immense sacrifice, could not have a helicopter industry within the next 15 years. We are particularly concerned about initiating an undertaking in which we can foresee significant federal investments, possible concession of tax incentives and credit, since we rule out, a priori, any economic advantages in terms of return on the investment, income and profits."

This argument, used by Brigadier General Moreira Lima, minister of aeronautics, during the interministerial meeting which discussed the possibility of installing a helicopter plant in Brazil, was decisive in convincing the ministers attending the meeting that it would be inappropriate for the country, at short and medium range, to form an industry of this calibre, according to the Aeronautics Ministry advisors.

In an 82-line argument, presented to the MIC [Ministry of Industry and Commerce] on 24 February and sent to ESTADO DE SAO PAULO yesterday, Minister Moreira Lima recounted all the attempts which Brazil has already made to install a helicopter plant, always without success.

According to the document which put an end to the idea of installing the plant and which he read to the ministers of the army, navy, industry and commerce and mines and energy and the Armed Forces General Staff, his ministry has been besieged with proposals to manufacture helicopters since 1971. First it was Audi S/A, which proposed to build the "Silvercraft SH-4," under license from the Italian firm Agusta. Audi itself abandoned the idea, as EMBRAER [Brazilian Aeronautics Company] would do 2 years later with the proposal to manufacture the Gazelle in collaboration with the French firm Aerospatiale. This second study proposal came from the Navy.

In 1978, according to the minister, the Institute of Aeronautical Research and Development was thinking about a national program, an initiative which was abandoned 2 years later because of the "high costs and poor marketing prospects."

Before then, however, in 1976, there was the Helibras S/A venture (Brazilian/Aerospaciale Company and the government of Minas Gerais). Although the minister did not mention it at this time, he has never hidden the fact that the company never carried out its commitment to transfer technology to Brazil and became simply an assembly line for Ecureil helicopters.

According to the minister, the possibility of installing a helicopter plant in Brazil was studied again in 1986 (this time at the request of the Army). Brig Gen Moreira Lima argued to his colleagues in the cabinet: "Analyzing the predicted domestic market demand, the Interministerial Commission responsible for drafting the policy for establishing the helicopter industry concluded that there was [a market for] an estimated total of about 488 units, considering all the possible types."

This being the case, according to Moreira Lima, "and considering that if the helicopter industry were initiated today, it would not go into full operation until 1990, the predicted demand for the possible future product would be reduced to only about 366 units, which corresponds to a production of 3 units[sic] per month. Optimistically, we could add one more unit per month, by way of serving the foreign market," he commented.

Thus, according to the officer, "based on the principle that, to handle such a diversity of units, an industry would have to be capable of producing a whole range of light, medium and heavy helicopters, for both civilian and military operations and all their possible and multiple applications," the verdict came down from the FAB: "At this point, our doubts are reduced and our certainty is increased that the idea is impossible."

In contrast to this venture of installing a helicopter plant, Brig Gen Moreira Lima came forward with a proposal to invest in human resources, so that, after the proper study, "an undertaking suited to the nation's interest" might be arrived at in the future.

6362

CSO: 3342/81

BRIEFS

NUCLEAR SUBMARINE PROJECT UPDATE--Navy Minister Henrique Saboia announced yesterday that the Brazilian Navy already has prepared a project for the construction of a nuclear-powered submarine, but its implementation is encountering technical and financial difficulties. The project is "extremely complex," according to the minister, because the technique of constructing a nuclear submarine must be mastered first. The Brazilian Navy is purchasing a submarine in Germany, and the builder of the submarine is committed to transferring the technology to Brazil. Henrique Saboia said that the project calls for the construction of three submarines of this type in the initial phase of execution of the project. Minister Saboia--who was in Fortaleza to take part in the celebration of the anniversary of the "Opening of the Ports to the Friendly Nations"--also disclosed that an additional four corvettes will be incorporated into the national fleet, pursuant to the Brazilian navy's modernization program. He pointed out that it was precisely through the instrumentality of the Navy that Brazil entered the computer era, inasmuch as the Cobra originated in that ministry. Saboia avoided responding to a question concerning President Jose Sarney's term of office, explaining that he will discuss only the problems of his ministry. The navy minister, however, acknowledged that the only thing people are talking about today is the difficulties through which the country is passing as a consequence of Cruzado Plan I. "When people are concentrating only on the difficulties," he emphasized, "it will indeed seem that the situation is very difficult; but if you lay on the table not only the difficulties but the improvements, then people will discover that the picture is not as it has been painted. Moreover," he said, "we have the will, the predisposition, and the opportunity to succeed--and the commitment to cope with the difficulties. This is why," he emphasized, "the moment is one of hard work, not one of anxiety." [Text] [Rio de Janeiro O GLOBO in Portuguese 29 Jan 87 p 24] 10992

USSR SPACE COOPERATION OFFER--Viktor Kompletkov, vice minister of foreign affairs of the Soviet Union, said yesterday in Brasilia that his country's government is committed to expanding trade relations between the two countries. He emphasized the cooperation that the Soviet Union will be able to offer the complete Brazilian space mission by supplying rockets for satellite launches. He stressed the importance of his visit to Brazil, and declared that despite the difference in points of view both countries are seeking a rapprochement that has already held out the prospect of positive results. "The extremely realistic, pragmatic, and constructive position of the Brazilian Government, and the policy of the Soviet Union," he said, "create points of agreement in many matters that are of interest to both parties." [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Feb 87 p 2] 10992

POSSIBLE BREAK WITH SOUTH AFRICA--Brasilia--Foreign Minister Abreu Sodre admitted yesterday, on receiving a petition with 300 signatures, that Brazil might break off diplomatic relations with South Africa. The document was delivered by Deputy Roberto D'Avila (PDT [Democratic Workers' Party]-Rio de Janeiro), president of the National Front against Apartheid, who was accompanied by deputies Aecio Neves (PMDB [Brazilian Democratic Movement Party]-Minas Gerais), Benedita da Silva (PT [Workers Party]-Rio de Janeiro) and Paulo Roberto Palm (PT-Rio Grande do Sul). Among those who signed the petition were Ulysses Guimaraes, president of the Constituent Assembly, the Chamber and the PMDB, Governor Leonel Brizola and Deputy Delfim Netto (PDS [Social Democratic Party]-Sao Paulo). Sodre told the deputies and other leaders of the National Front against Apartheid that their views are not counter to those of Itamaraty. D'Avila reported that the minister had described incentives for anti-apartheid mobilization which, according to Itamaraty sources, could facilitate a stand by the Brazilian Government. Nonetheless, the minister told the Front members that the decision must be considered "in depth and with due caution," because maintaining a Brazilian representative in South African territory could, among other things, facilitate contacts with the opposition. The next move by the National Front against Apartheid will be to solicit the Congress, on 25 February, for an estimated 1,500 signatures, according to the organizers. The demonstration will be called "Brasilia United against Apartheid" and should last for 15 minutes. [Text] [Rio de Janeiro O GLOBO in Portuguese 19 Feb 87 p 5] 6362

POSSIBLE CHURCH CENSURE OF BOFF--Franciscan Brother Leonardo Boff, defender of Liberation Theology, could receive another warning from the Brazilian ecclesiastical authorities. Depending on events, he may even be subjected to another period of "obedient silence," such as was ordered by the Vatican 2 years ago as a result of the publication of his book "The Church, Charisma and Power." Although the outcome is unpredictable, the history of Boff's most recent work, "The Trinity, Society and Liberation" (Editora Vozes, 1986) has followed a path similar to that of the previous publication. Initiated in 1982 following the publication, in the BOLETIM DA REVISTA DO CLERO of the Archdiocese of Rio, of an article harshly critical of the ideas expressed in "The Church, Charisma and Power," the proceedings against Leonardo Boff culminated in his judgment by the Vatican. According to Karl Josef Romer, auxiliary bishop of Rio, the Archdiocese had no part whatever in the episode. This week, the Archdiocesan Commission concluded its reading of "The Trinity, Society and Liberation." In the next issue of the BOLETIM DA CURIA, its 1,500 subscribers--all members of the clergy--will learn the Commission's findings regarding the ideas now set forth in Leonardo Boff's new book. Noting always that the Archdiocese of Rio de Janeiro has no power to apply sanctions against the theology of the priest, the auxiliary bishop of Rio de Janeiro explained that Boff can only receive a disciplinary warning from Dom Jose Veloso, bishop of the Archdiocese of Petropolis, where Boff lives and works, by the highest superior of his religious order (in Rome), that of the Franciscans, or else through a denunciation forwarded to Rome by a Brazilian bishop. Yesterday, the bishop of Petropolis said he had not yet read Brother Leonardo Boff's book and that he did not intend to issue any judgment with regard to it. [Text] [Rio de Janeiro O GLOBO in Portuguese 15 Feb 87 p 5] 6362

PLANES FOR CALHA NORTE PROJECT--The Aeronautics Ministry has ordered six more Bandeirantes planes for the Brazilian Air Force (FAB), to transport the troops which will operate at the Boa Vista Air Base (Roraima), within the program to occupy the Amazon Region--the project known as Calha Norte [Northern Watershed].

In addition to the aircraft manufactured by EMBRAER [Brazilian Aeronautics Company], the Aeronautics Ministry has acquired three Hercules planes and three Learjets, for operational support to the army units and FUNAI [National Indian Foundation] posts spread out over the country's northern region. The government is interested in intensifying the combat against the smuggling of precious stones and in destroying the clandestine air strips that serve the drug traffic. The jets will primarily conduct the aerophotogrammetric survey of the region. The Boa Vista Air Base is currently undergoing construction work, to receive the new aircraft. The fleet will provide air support for ground personnel in a 6,500-kilometer strip along the Brazilian border with Colombia, Peru, Venezuela and Guyana. The Armed Forces are also concerned with gold smuggling in the Amazon Region. Of about 90 tons of gold produced in Brazil last year, 50 percent was smuggled out of the country, most of it to sustain the dollar on the black market. In addition, there is a danger of an outbreak of guerrilla warfare on the border. This was the reason for Calha Norte, a government program to occupy the Brazilian Amazon Region, seeking to establish security in the area. The FAB is participating in this program with the construction of airports and air bases, in addition to patrolling the air space, looking to the total destruction of the clandestine airports. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Mar 87 p 5] 6362

CSO: 3342/81

POLL REVEALS PUBLIC'S POLITICAL PERCEPTIONS, FEARS

Santiago CAUCE in Spanish 23 Feb 87 pp 34-35

[Article by Ricardo Brodsky]

[Text] Chilean Citizens and Politics

During the months of October and November 1986, the Latin American Social Sciences Faculty (FLACSO) and the Development Studies Center (CED) made a study on issues they describe as related to the political education of the citizens of Chile. The sampling included 612 women and 588 men over 17 years of age living in Greater Santiago. Of those surveyed, 58 percent had incomes of less than 20,000 pesos per month, and 72 percent had more than 12 years of schooling.

Urgent Changes

Among the issues taken up, it is worth stressing the perception the citizens of Santiago have of Chilean society at present. Only 9 percent said that "It is good as it is," while 62 percent said that "It needs drastic changes" or "major reforms." Another 29 percent expressed the view that "Minor changes could improve it."

Now then, the 62 percent who believe that basic changes are needed tended in the majority to emphasize the need for changes in "aspects of the economic policy" (33 percent), "labor affairs" (33 percent) and, "the dictatorial conditions of the political system" (27 percent).

A Fearful Country

It is notable that 43 percent of those questioned admitted belonging to some type of community or trade-union organization, and given the existence of a highly organized people, there is another reality--that the country views its future fearfully, as the answers shown in Table 1 reveal.

For example, it should be noted that 71 percent of those questioned view the problem of human rights as a real one in Chile, while 84 percent of these individuals believe that the solution would lie in punishing those responsible following a just trial.

Table 1
Do You Fear That Any of the Following Situations Will Occur
in Chile in the Next 3 Years?

	Very Afraid	A Little Afraid	Not Afraid	Don't Know or No Response	Total
a. Increased unemployment	100	20	17	2	100
b. Increased crime and drug use	82	12	5	1	100
c. Political chaos	62	21	15	2	100
d. Civil war	60	13	24	3	100
e. Increased terrorism	70	16	11	3	100
f. Increased repression	64	16	14	6	100
g. Increased living costs	77	17	4	2	100
h. Housing shortage	50	25	23	2	100
i. Decline in wages	68	18	12	2	100

Views on Politics

Of those questioned, 81 percent said that politics is of little or no interest to them, while more than 60 percent said that politicians pursue their personal interests rather than the good of others. However, 70 percent were of the opinion that "Every Chilean has a duty to take an interest in politics," despite the fact that the majority prefer not to concern themselves with public affairs, as is shown by the fact that 60 percent prefer that "public affairs be decided by the best trained people," as compared to 34 percent who want such decisions made by "all the people."

From this point of view, democracy is a controversial matter. In fact, only 52 percent express the view that it "Is the best form of government," as a matter of principle, while another 25 percent expressed the belief that "It would be good to have democracy because the problems of people like myself would be resolved," and only 13 percent believe that the best thing would be for the Pinochet government to continue.

In this connection, it is interesting to note that the citizens' judgment of the current regime is implacable. Not only are the lack of prosperity, freedom of expression and international prestige criticized, but 44 percent even said that the government of Pinochet is that which has produced the lowest level of security (as opposed to 34 percent for the Allende government) of the last four governments in Chile.

The Best Government

The parties and the politicians should be greatly concerned to learn that 38 percent of those surveyed could not give the name of a single political party, and that 43 percent could not name any national political personality.

The parties which were mentioned are shown in Table 2.

Table 2
Please Name the Political Parties You Know To Exist in Chile Today

Party	Percentage
Christian Democratic	59
Socialist	38
Communist	37
National	34
Radical	30
UDI	11
MAPU	9
MIR	8
Christian Left	7
Social Democratic	6
Liberal	4
MAN	3
MUN	2
Humanist	2

(1) Other parties were mentioned by fewer than 2 percent of those surveyed.

(2) Multiple answers for all of those surveyed (1,200)

Now then, when it came to defining what would be best for the future of Chile once democracy is reestablished, 12 percent favored a right-wing government, 11 percent a center-right wing government, 25 percent a centrist government, 11 percent a center-leftist government, and 7 percent a leftist government. Also, only 8 percent preferred the reelection of Pinochet (see Table 1).

When it came to defining who is centrist, who is rightist and who is leftist, the individuals questioned placed the parties from left to right in the following order (on a scale of 1 to 100): Communist Party, MAPU, Socialist Party, Christian Left, Radical Party, Christian Democratic Party and UDI, MAN and National Party together.

When it came to asking each individual to place himself on that same scale from 1 to 100, the following results were obtained:

--12 percent of those questioned placed themselves between 1 and 25,

--17 percent placed themselves between 26 and 49,

--37 percent placed themselves at 50,

--19 percent placed themselves between 51 and 75, and

--15 percent placed themselves between 76 and 100.

Only 14 percent of those questioned were unable to place themselves in the left-right continuum.

Adding both results together, Table 2 was obtained, and the question of the harmony between the parties and their potential voters takes on an almost physical presence.

Skepticism About Transition

Where the political expectations of the people of Chile are concerned, it should be noted that 74 percent of those questioned deemed it as "improbable" that a change in government will come about before 1989. Only 18 percent viewed it as "very probable."

Parallel with this, 1989 will not see the realization of the hopes for change expressed throughout the survey. In fact, only 17 percent of those questioned believe that there will be direct elections involving two or more candidates by that time, while 66 percent believe that there will be either a plebiscite involving an armed forces candidate (40 percent) or a plebiscite involving a candidate agreed upon by the armed forces and the opposition (26 percent).

Stability and Change

In brief, the people of Chile do not see a democratic transition as imminent; they view the future with fear; and the majority would prefer a centrist and reformist government alternative.

On the various political concepts being debated on a daily basis, 61 percent of those questioned expressed the view that the concept of liberty is the most important, while 20 percent gave the concept of equality first place. On the other hand, no more than 5 percent mentioned authority, anticommunism, nationalism or revolution as the most important issue.

5157

CSO:3348/224

COMMUNIST PARTY PROPOSALS FOR POLITICAL OPENING DOCUMENT

Santiago APSI in Spanish 23 Feb-8 Mar 87 (Insert)

[Text] A statement by the PC setting forth a proposal for the rallying of the democratic forces has been made public. Because of the interest of this document, I have asked that it be printed in this periodical.

Justo Zamora
Former PC parliamentarian

The Communist Party of Chile also feels the profound concern of the people about Pinochet's intention to perpetuate himself in power, profiting from the scattered nature of the opposition forces in order to do so.

The responsibility which all of us leaders and all of our democratic political parties bear in connection with this situation is very great, and in the final analysis, inescapable. We communists assume our share of the responsibility. We propose to the country that all of our opposition forces join together in all sectors and concerning all matters in order to pave the way for democracy and to frustrate the tyrant's plans to ensure his own personal power until 1989 and to extend it beyond that time by means of a gigantic fraud.

This and nothing else is the meaning of the so-called political laws, in the promulgation of which he has had the complicity of the other commanders in chief of the armed forces.

It is not, as it is hoped we will believe, any kind of opening toward democracy. What is in truth involved is the consolidation of the institutionalization of fascism, the application against all odds of the so-called 1980 Constitution, and the paving of the way for continuation in office. To this end, a system of archaic electoral registration is being established. It was contrived and calculated to prevent the more modest strata of the people, first and foremost the workers and peasants, who lack money and time enough to obtain the new cards and to visit the registration offices, from exercising their right to vote. In addition, this is a system managed from the top down by the tyranny, and free of any democratic controls.

With this same intention, the political party law, which is worse than Gonzalez Videla's Damnable Law, has been promulgated. The Pinochet law not

only proscribes the Communist Party, but also all of the MDP parties, and in addition it subjects the parties it authorizes to its complete control, imposing upon them the obligation to make the names of their members public, thus rendering them vulnerable to all sorts of pressures and persecution.

Faced with the challenge of the tyranny, the only reasonable thing is for the entire opposition to set aside its prejudices and exclusions and to take united action in order to frustrate the implementation of these laws, which constitute a deception.

Those who decide very simply to become a part of the fascist system will become accomplices in a crude deception and will be caught up in the antidemocratic plans of the dictatorship. Accepting the legislation which the dictatorship wants to impose would mean endorsing ideological proscription, and those who choose this path will in the end become jointly responsible for the persecution of those proscribed.

There is not nor can there be any room for error. It has become clear once again that for as long as Pinochet remains in power, it will not be possible to realize any democratic project with a truly national meaning.

And the dictatorship is not only profiting from the scattered nature of the opposition forces to set up the "reelection" apparatus, for the recent months have also been characterized by an intensification of state terrorism, with those arrested being kept incommunicado for long periods, bestial torture being a constant practice, abusive extension of the jurisdiction of the military courts, which have become an appendage of the repressive apparatus, and the vast publicity given the hunting of opposition members. To this must be added the activities of the secret commando units which threaten, attack, kidnap and murder with complete impunity.

The release of Lt Pedro Fernandez Dittus, who was involved in the horrendous crime in which young people were burned, and the blocking of the investigation of Minister Canovas in the case of the victims whose throats were cut were designed precisely to conceal these crimes, to encourage the worst forms of repression and to subjugate the people of Chile through terror.

The Antipopular and Antinational Nature of the Regime

Because the democratic forces are scattered, the veritable dance of measures in the economic and social sector designed to increase the power of the masters of heavy domestic and international financial capital, the real "big bosses" of the dictatorship whom Pinochet serves unconditionally, is easier.

The large state enterprises have been put up for auction.

The workers continue to be manacled by the Labor Plan promulgated to guarantee their overexploitation. Real wages remain below what they were in 1970, far below those in 1972, and even below the 1981 level, prior to the last crisis. The problems of dismissal and unemployment and poverty and hunger in the settlements continue to be a daily drama for millions of our compatriots, and the source of intolerable adversity and suffering.

Housing problems are growing more acute. The number of homeless families exceeds a million, and if desperate people occupy a plot of land to build a home, they are subjected to savage repression.

The destruction of the national educational system has continued, and thousands and thousands of teachers have been dismissed. University budgets are being reduced substantially. Health problems continue unresolved.

The lack of money for the essentials, useless trips in search of work, the frustration of the youth and overcrowding are making life intolerable and are pushing thousands of people into begging, prostitution, drug addiction and crime. This constitutes another form of fascist violence, which cannot be separated from repressive violence.

Despite this, the propaganda of the dictatorship suggests that Chile has launched a process of economic recovery. What we are really seeing is the restructuring of conditions so that heavy domestic and foreign capital can earn vast profits at the expense of overexploitation of those who labor, the poverty of the majority and the insecurity of the middle sectors, able to survive only under the weight of debt. These are the true results of the fascist policy, servile implementation of the dictates of the International Monetary Fund, and payment of the fraudulent foreign debt which, although it was contracted by a few magnates, is being paid for by all the Chilean people.

This is the essence of what they want to perpetuate.

No Alternative to Struggle and Broader Unity

Between 1983, when the first national protest took place, and the strike on 2 and 3 July 1986, one thing became clear. Struggle and unity disrupt the dictatorship. In these years, whether during the dialogue with Jarpa, the exclusive National Agreement, or the vacillation which seen since July, it has also become clear that immobility and dispersal sterilize the opposition.

The conclusion is this: We must proceed without delay to seek an agreement in order, united, to thwart the plans of Pinochet.

The workers' class and the people have no choice but to wage a struggle for their demands and claims, while at the same time appealing to all democratic sectors to embrace their duty to develop an alternative and draft a solution.

The leftist forces are rising above the difficulties created by the tyranny and are launching the process of rebuilding their unity of action. The first leftist conclave produced an appeal for unity addressed to all opposition forces, and then a specific proposal that they all reject the political laws. Unity of the left is taking shape as a decisive contribution to the nonexclusive rallying process the country needs.

In other opposition parties as well, there are men, women and young people who are taking this moment seriously, putting the decision to win freedom and democracy above everything else and seeking to bring about unity among all of the opposition forces.

But there are, on the other hand, individuals who have lost their perspective and who, being remote from the people and lacking faith in them, have concluded that there is nothing to be done and have decided to wait until 1989. They are unaware of the profundity of the drama being experienced by millions of Chilean citizens who cannot wait, and will not wait, passively, and they fail to understand that it is precisely this passive attitude they urge which makes it impossible to achieve democracy.

The dictatorship exploits any hesitant attitude to its own benefit. It subjects those who are conciliatory to persistent blackmail. It drags them into unrealistic debates and explanations of the most ridiculous things. If they defend our national patrimony, they must hasten to explain that they do not advocate state control. If they come out in favor of democracy without proscriptions, they must be quick to profess their anticommunism. If they voice their support of social justice, they are forced to explain their "leftism." There is constant and hateful pressure which will continue for as long as they play the dictator's game, for as long as they lend their ears to the siren songs he sings when he finds himself in difficulty, and which subsequently turn into filthy insults and humiliating references.

Alleged and Veritable Realism

In most cases, these defeatist positions maintained by certain opposition leaders are concealed behind so-called realism. This "realism" has a peculiar aspect--the refusal to see the reality of the dictatorship and also the reality of the popular forces, which, when mobilized and acting together, can remove all obstacles. This is the argument which urges demobilization and conciliation, division and exclusion, based on propositions which are in no way realistic, but are on the contrary completely illusory. This is true of the assumption that there might be free elections with Pinochet, or that dialogue with him which might lead to democracy is possible.

We communists who have suffered with and experienced the drama of the people and who always make an effort to undertake actions consistent with the reality are aware that the regime has some elements which would enable it to prolong itself. To begin with, it has the support of the North American imperialists, who have in the end supported Pinochet's time schedule and have taken up his defense in international forums. The regime has the support of the domestic oligarchy, to whose interests it panders in gross fashion. It has the support of the high commands of the armed forces, and the capacity, for the time being, to subjugate those within them who dissent.

But it cannot rely on the people, and it is, and always will be, a precarious regime. It is unable to contain the process of erosion at the base of its support. Those who support the regime accept it as the lesser evil, but they are ready to abandon it for any alternative. It has exhausted its resources for exercising power in the way it has done in the past. Despite his desire to do so, the dictator was unable to prolong the state of emergency, and while it lasted, he had to stay his hand. Faced with the demands of the masses, which are expressed even despite the repression, he has to resort to manipulation. It has now become evident that the people, along with the teachers, are reacting to the attack on the educational system, and haste is

being made to appoint "commissions" to review the dismissals. This is demagoguery pure and simple, and it resolves nothing, but it does reveal the fear of a mobilized people. International pressures and those from the Catholic Church urging an end to exile have forced the government to compromise and to lift the prohibitions on entry, although it nonetheless insists on maintaining the infamous principle of keeping Chilean citizens out of their fatherland.

What is growing in the country is discontent with and anger directed against the regime, as a result of the constant practice of repression, the continued existence of intolerable conditions of life, the never-ending abuses by the dictatorship. Furthermore, a new wave of popular protests is under way. What can be felt in the country is that the people do not, nor will they, submit.

At the social base, the area where the consequences of Pinochet's policy cannot be avoided, the need for unity is understood, agreement exists, and the battle is being waged in united fashion. It is there that struggles which may reach great dimensions are incubating.

We political leaders must echo the clamor which is rising from below and which demands united action and mobilization in order to blaze a path.

Anticommunism, Trojan Horse of the Dictatorship

Faced with the urgent need for unity without exclusions, there are those who assign, or try to assign, the responsibility for the division in the opposition forces to our party.

Our policy is subjected to crude distortions, both inside and outside the country. The leading provocateurs are without a doubt imperialism and the tyranny, which, fishing in troubled waters, seek to use this as the basis for setting forth a false dilemma--Marxism or anti-Marxism. Thus they try to prevent matters from being defined and resolved on the basis of the alternative which is the real and decisive one for our national future--dictatorship or democracy.

However, it must be said that sectors of the centrist opposition put in their oar in the proliferation of these distortions, thus seeking to justify their inclination toward conciliation and division. To this end they employ slander, with references to the alleged terrorism, militarism or maximalism underlying our policy. Some of them have gone to the extreme of voicing these notions to the democratic embassies and governments in Latin America and Europe.

We say openly that these distortions, which serve as a pretext for exclusion, have their main reason for being in anticommunist prejudice. Anticommunism is the Trojan horse of the dictatorship in the opposition camp, and it is hard to believe that after so many years, the opposition leaders who practice it and promote it are failing to consider the sterilizing effects of such positions.

Despite being the focus of so much slander, distortion and misunderstanding, the Communist Party has done, is doing and will do everything within its power to develop understanding among the opposition forces.

The Communist Party has opposed the tyranny from the very moment it was enthroned. Along with its allies, it has at all times taken its place in the resistance to fascism. Thousands of heroes and martyrs from our ranks, including 15 or so members of our Central Committee, have offered up their lives in this struggle. Immediately after the coup, we called upon the antifascists and those who were not fascists to join together to recover and renew democracy, and we have never departed from this position in favor of unity. It is true that we have committed errors. But the error we have not committed under any circumstance is that of prostrating ourselves before the dictatorship--in other words, the absolute error. We have tirelessly sponsored confrontation with the tyranny, opposing all conciliatory illusions, all the false ideas that fascism might become democratic. This is the essence of the right of rebellion we have proclaimed and promoted, with the determination to make use of every form of struggle which contributes to destroying the iron framework of the fascist institutionalization process, which seeks to subjugate the people.

Agreement on Goals, Strategies and Methods Possible

The Communist Party, along with its allies in the MDP, has underwritten major documents with parties of the left with a view to the development of a joint path agreed upon by the opposition in order to put an end to the tyranny.

In the document signed by nine leftist parties, we said: "The path described above should be the subject of a joint agreement, based on objective requirements and demands, on the basis of which all of the participants in the agreement must assume concrete obligations and commitments. Above all, there must be a commitment to the political goals, tasks and methods agreed upon, at least for a period agreed upon together, at the end of which only the results of a collective evaluation can restore the full autonomy of each party to continue developing its own particular strategy."

These concepts agree with the viewpoints we have expressed a hundred times in talks with various political sectors, and which have been reiterated publicly by our secretary general and other officers, as in the case of our letter to Don Gabriel Valdes in May of 1985.

For all of these reasons, we are convinced that the responsibility for the division in the opposition forces is not ours.

There are some who say that agreement is not possible among parties with different objectives, strategies and methods of struggle.

The truth is that there are not only differences among these parties, but points of agreement as well. We are all united by a common desire to put an end to the dictatorship. But there is more. We are ready to listen to and discuss all views and to agree on joint goals, strategies and methods.

There are those who say that they cannot accept alliances or pacts with the communists and the MDP. This is a position which works in favor of the dictatorship. But in view of the fact that this position exists, we propose a search for other formulas. We urge the formation of a group of individuals

with or without party affiliation who are representative of the whole democratic opposition spectrum or having the necessary authority and confidence for the promotion of agreements, even if they must be minimal.

We are opening the door to social concertation. Let us allow the social organizations to make their agreements. The Asamblea de la Civilidad (Civil Action Assembly) has shown that this is promising path. Let us give this Assembly all of the support it needs and merits. Among the parties we will seek at least coincidence in actions or simultaneous actions, even if they are pursued in parallel fashion.

Developing a Political Solution

Leaders of some parties in the AD say that in order to achieve unity, it is necessary that the communists renounce violence.

Some, simply as a pretext, as well as others in good faith, urge that we change our political line and propose that we return to the methods and forms of struggle we used during the democratic past of the country. Is it possible, then, to combat fascism--the terrorist regime which makes of murder, disappearance, torture, exile and political proscription the base of its power--with the same means as were used in a democratic period to make the interests of the workers' class and the people prevail and to deepen democracy? There are indeed methods which are valid in one circumstance and another, and they continue to survive in our party. But new requirements also develop, without which there is no possibility at all for the will of the people to be expressed, and there are at the same time the factors utilized in those days--the parliament, freedom of assembly and broad freedom of the press, among other things--which simply do not exist today, something which does not seem to be clear to all members of the opposition.

We are routinely represented as being devoted to the militarization of politics, to a military solution, to the military defeat of the dictatorship, as if we were promoting widespread armed struggle and were opposed to a political outcome. If this were the case, we would admit it openly. But this is not our position. We advocate a political solution which we are trying to develop on the only possible basis--unity and struggle by the masses to break up the fascist institutional system.

Violence in its present forms has its origins in the dictatorship, and it can only end with it. The tyranny cannot renounce violence, because this would mean the beginning of its own end.

Once the right, and in the final analysis the duty, to put an end to the fascist regime has been established, it is possible to reach a consensus on the use of all those forms of struggle which contribute to winning victory.

It is true that we believe that a knowledge of the military art and the development of a policy for the men who are members of the armed forces are duties which a revolutionary party cannot abandon. But there would be no reason to have recourse, nor would we ever do so, to actions of an armed nature when the will of the people can be expressed and realized freely and

democratically. However, the determination of the domestic reactionaries and the imperialists, revealed in our country and everywhere, to impose their law by means of armed violence faces us with the obligation to act and to support those who act in this realm so that the people can defend themselves.

We are convinced that if all of our democratic parties join together to create a powerful movement of mass self-defense against the aggression of which the people are the victims, and if we coordinate our efforts to strip the blindfolds from the men who bear arms, we will move closer to the end of the militarization of politics which the regime has imposed, and we will facilitate the realization of a fruitful dialogue with the armed forces such as to make the transition from dictatorship to democracy possible.

The dramatic confessions of Maj Fernandez Larios reveal, on the one hand, the rottenness into which Pinochet has led the armed branches, while on the other hand they reveal that despite everything, there are within the military people who can change their minds and return to the path of dignity, honor and decency. A contribution should be made to this by the development of a joint policy for the opposition forces which will impress upon the men at arms the democratic thinking of Chile.

Within the opposition, various democratic projects coexist. There are basically two, one more advanced, supported by the Popular Democratic Movement and other parties of the left, and another, which is more limited and which is supported by the forces of the center and the democratic right wing. There is a basic coincidence to be found in the two proposals. Both propose to reestablish democracy. Dividing the opposition on the basis of the existing differences is absurd, because division prevents achievement not just of a given project, but of any democratic project.

We Advocate Pluralistic and Real Democracy

we communists favor a multiparty, pluralistic democracy--the most real, participational and progressive democracy possible. We want the democratic regime which follows the dictatorship to eliminate fascism, to respond to the clamor of the people for justice, to give priority attention to the pressing needs of the workers and the people's masses, to democratize the state institutions, the court system and the armed forces in particular, to reestablish university autonomy, to restore vitality to the role of the state in the promotion of national development and in attention to health, education and culture, and to carry out profound transformations in the economy in order to put an end to the domination of the oligarchy and foreign capital.

We do not link--we never did and we do not now--the end of the tyranny or our readiness for an agreement on unity to the condition that a progressive democratic government take shape, much less to the acceptance by everyone of our ultimate goal, socialism. We have reiterated again and again that we are prepared to support everything which works to the benefit of the people and the country, including a democratic regime with a less progressive orientation, if that is the decision of the majority.

Therefore we are today, as we were yesterday, ready to reach agreement with all of the opposition forces to put an end to the dictatorship, to agree on the basic guidelines for the future democracy, and also jointly to assume the responsibility for achieving these common program goals. We firmly believe that what is best for the country is for us to agree on all of these points, but if this is not possible, we are prepared to agree on the essential-- putting an end to the dictatorship of Pinochet.

One factor involved in the scattering of the democratic forces is imperialist intervention. Many of those who live with the illusion that the State Department will remove the tyrant are paying their dues to anticommunism, and are embarking on the nefarious policy of excluding the communists.

Concerning this matter, we communists say that the determining factor in freedom for our fatherland is our own struggle, the unceasing battle waged by our people. In this struggle they have the sympathy and the solidarity of the peoples of the world. International solidarity, including broad sectors of the people in the United States, has been a factor in the containment of fascist brutality and will be a factor in the definitive triumph of freedom. To the same extent as international solidarity is valuable, foreign intervention in our domestic affairs is damaging. What Reagan, Schultz, Abrams and others are doing in this connection is intervention pure and simple, which makes no contribution to democracy, but on the contrary shores up the dictatorship. Those who rely on the illusion of North American support cite the example of the Philippines or Haiti. They do not see or do not want to see that the determining factor in the removal of the dictators in those countries was the actions of the masses, and that the agents of the Yankee government only arrived at the eleventh hour, when its proteges were beyond rescue, and they came not to contribute to democracy, but to limit it insofar as possible.

On the other hand, those who justify conciliation, citing the example of Spain and pointing with some justification to the conduct of Adolfo Suarez, are forgetting an essential thing. The Suarez process was possible after Franco was gone, not while he lived.

Pinochet is a cancer cell in the Southern Cone of Latin America. His survival in itself encourages the promoters of coups in other countries and threatens all the democratic processes under way. We opponents of the regime therefore bear a responsibility not only to our own people, but also to the other brotherly peoples on this continent.

We communists believe that it is only possible to frustrate the plans of the dictatorship through a struggle and joint action by all of the opposition forces. The basis for such action exists.

Our Proposals Are Concrete

We propose immediate agreement on the policy proposal drafted by the president of the Asamblea de la Civilidad, as a synthesis of the basic consensus of the forces united within it, while at the same time making the Chilean Demand the joint program base for the forces which endorse the agreement.

We believe that the demands of the workers as synthesized by the CNT in its National Claims List and the recent petition for an increase in all wages and salaries should also be integral parts of the basis for consensus.

The immediate measures in the National Accord also have the support of all of the democratic forces.

These documents are a sufficient foundation for joint action, and on this basis it is possible to make gradual progress in perfecting and deepening them. The MDP has repeatedly voiced its readiness to reach an agreement on a broad basis.

The immediate task to which all opposition forces must rally is joint rejection of the so-called political laws of the fascist regime. We must denounce the fraudulent electoral registration system imposed by Pinochet and the Junta and, parallel with this, formulate a single proposal with support from the entire opposition for the establishment of an automatic registration system which will guarantee us a truly representative electoral body.

We must unanimously reject registration as parties according to the norms of the abortive legal scheme conceived by the dictatorship.

On this basis, it is possible to agree on the joint development of a movement toward truly free elections, now and without Pinochet, in which a president of the republic and a constituent assembly or a national congress with constituent powers can be elected. To this end, in addition to automatic registration, there should be guarantees of access for the parties to the press, radio and television, proportional representation and electoral pacts and alliances of a national nature.

Based on these joint and democratic goals, we can and we must, within the framework of what are deemed suitable scenarios, adopt a joint plan of action to mobilize the country for the achievement of the goals we have agreed upon.

At a gathering attended by large crowds toward the end of 1985, Gabriel Valdes, speaking on behalf of the Democratic Alliance, said that our country should welcome Pope John Paul II in a spirit of democracy and freedom. The MDP hailed this desire and made it its own. This did not come to pass. However, the yearning for liberty and democracy persists and grows, and it is our common duty to develop channels for its achievement. The basis of such achievement is mobilization and agreement. Let us make these things a reality, with generosity and nobility of spirit. We are ready for dialogue and agreement in order to advance. The left wing has shown that the path of understanding is possible. Let us move forward, once and for all, toward unity of action involving all opposition factions.

Santiago, February 1987

Political Commission of the Chilean Communist Party

5157
CSO:3348/224

REPORT ON VALLADARES FINE IN FRANCE

Havana GRANMA in Spanish 6 Feb 87 p 5

[Text] Paris, 5 February--A court in Creteil, France (south of Paris) ordered former Batista police officer and terrorist Armando Valladares, originally from Cuba, to pay a fine of 3,000 francs (\$500), reported AFP.

The wire story adds that Valladares had tried to file a defamation suit against the general secretary of the French Communist Party (PCF) and deputy for Val-de-Marne, Georges Marchais. The suit was thrown out by the court, which ruled that it was groundless under the current Civil Code.

In fact, the judges ruled that the thwarted plaintiff should pay a fine for damages inflicted on Marchais.

The general secretary of the PCF had spoken on a program of the French national radio network on 6 December 1982 and had unmasked Valladares' attempts to pass himself off as an "invalid poet." He portrayed Valladares as what he really was, a servant of the Batista regime who had later joined a terrorist counterrevolutionary group organized by the CIA. For this reason, he had been arrested and convicted in the Cuban courts.

8926

CSO: 3248/230

AFRICAN STUDENTS ON ISLE OF YOUTH DESCRIBED

Havana GRANMA in Spanish 7 Feb 87 p 4

[Article by Marta Rojas]

[Excerpts] The island is intoxicating because of the fragrance of its pine groves and the aroma of its grapefruit orchards, and also because of the bright future that beckons in all of its citrus orchards, cultivated by such able hands. But above all, this feeling comes from the many schools it has, where more than 15,000 African students are learning the many histories and geographies of many countries in the official languages of their respective nations. They are also taught the scientific disciplines in Spanish.

The schools on the Isle of Youth used to give classes only in primary, secondary, preuniversity, and professional technical education. Then the first higher-level center was opened last year: the Internationalist Higher Pedagogical Institute, especially created for scholarship recipients from Zimbabwe and Angola. The Institute began its teaching work with 400 Zimbabweans and nearly 200 Angolans. In the new term, a similar number of students will be matriculating. In the next few years, the school will reach its capacity enrollment of 2,000.

One of the most interesting characteristics of this pedagogical university is that the future teachers of physics, mathematics, chemistry and biology will impart their knowledge in schools right in Africa.

The Isle of Youth currently has in its student body youths (both boys and girls) from Angola, Mozambique, Guinea Bissau, Ethiopia, the Congo, Equatorial Guinea, Mali, Cape Verde, Sao Tome, Lesotho, Sierra Leone, Benin, the Seychelles Islands, Ghana, the Republic of Guinea, Burundi, the Sudan, Namibia, the Democratic Saharan Republic, Yemen, Burkina Faso, and Zimbabwe, along with Nicaraguans and Cubans. "This is like a little United Nations, the United Nations of developing countries," said Robert Mugabe when he visited the Isle of Youth as prime minister of Zimbabwe in October 1985.

In just one decade of experience in the mass-scale teaching of African students in Cuba, many positive results have already become apparent, both in the students' scholastic performance and in the specialization and improvement of the teaching of foreigners by Cuban faculty members.

Hundreds of young Africans who have graduated from the schools on the Isle of Youth are now studying in our universities or in other learning centers, are abroad, or have returned to their respective countries to work.

One immeasurable, truly exceptional result of this experience, however, has been the opportunity for very broad communication and understanding on the Isle of Youth among these thousands of young people from so many countries on that vast continent, and even among students from the same country but of different ethnic groups, who upon arriving in Cuba knew only their tribal dialects.

The oral and written communication in the Spanish language, shared by all students alike, and student relations in the scholastic and extracurricular settings have developed a spontaneous unity and an unexpected fraternal closeness between men and women--now teens and young adults--that will, together with their skills, contribute further to African unity and to the unity of the countries of the Third World.

8926

CSO: 3248/230

PERUVIAN AIR FORCE DECORATES PILOT

Havana VERDE OLIVO in Spanish 12 Feb 87 p 54

[Text] Lt Ricardo Vazquez Rodriguez, a graduate of the Military School for Aviation Pilots, class of 1986, received the Jorge Chavez Darnell order of Merit, awarded by the Peruvian Air Force (FAP) to pilots who show outstanding abilities in carrying out their military missions and duties.

This honorable distinction, an indication of the friendly ties between the peoples of Peru and Cuba, was presented to him by the air attache of the Peruvian Embassy in our country, FAP Col Alejandro Retes Rivero. The presentation took place during a ceremony at the Office of Foreign Relations of the Ministry of the Revolutionary Armed Forces (MINFAR). Present were Col Juan Oscar Hernandez, chief of the Revolutionary Air Force, and other FAR chiefs and officers.

Col Retes Rivero expressed his satisfaction, upon decorating Vazquez Rodriguez, that the lieutenant had attained the highest grades during his academic studies, and wished him success in his military career.

The Jorge Chavez Darnell Order of Merit, which has now been awarded twice by the Peruvian Air Force to young Cuban officers, was created as a tribute to one of the pioneers of Latin American and worldwide aviation. On 23 September 1910, Jorge Chavez Darnell crossed the Alps from Switzerland to Italy for the first time. After completing this feat, just as he was about to land, a fatal accident caused the fragile single-engine plane Chavez Darnell was flying to plummet to the ground. Since that time, his name has been inscribed in gold letters in the history of aeronautics.

8926

CSO: 3248/230

SATELLITE ACCESS TO FOREIGN DATA BASES ATTAINED

Havana GRANMA in Spanish 7 Feb 87 p 4

[Article by Orfilio Pelaez]

[Text] The Teleaccess Service was inaugurated yesterday at the National Center for Scientific Research (CENIC) of the Ministry of Higher Education. That institution has a terminal which is now able to provide access via satellite to the International Data Base Systems of the Soviet Union, Bulgaria, Switzerland, France, and other countries for the search for scientific-technical information.

During the demonstration, the terminal located in the CENIC Information Office contacted data bases in Switzerland and Luxembourg and asked them for information on several subjects.

This service is provided in conjunction with the Scientific and Technical Documentation and Information Institute (IDICT) of the Cuban Academy of Sciences and the Institute of Automated Applied Systems (VNIIPAS) of Moscow.

The use of this modern information resource enables the researchers and technicians of the CENIC to find out about the latest advances in science and technology in a short time. This is of great use for the development of our research programs on the basis of this knowledge, which in turn makes possible the optimum utilization of resources and a more rapid incorporation of the results of research in the development of the economy.

8926

CSO: 3248/230

STATISTICS ON FIRES IN 1986 RELATED

Havana GRANMA in Spanish 11 Feb 87 p 2

[Article by Reynold Rassi]

[Excerpt] Once again, the slogan that a fire can almost always be prevented has been proven correct. It was reported that 80 percent of the 3,867 fires that took place throughout the country in 1986 were caused by negligence and violations of established protective measures.

The Department of Fire Fighting and Prevention (DPEI) of the Interior Ministry told GRANMA that among the direct causes of these incidents reported to the DPEI were: smoking in areas where it was prohibited, the incorrect use of flame-producing equipment, and electrical problems. Many of these errors could have been prevented.

Last year 24 deaths, 226 injuries, and direct material damages amounting to more than 11 million pesos were caused by fires.

Of all the fires, 58 percent occurred in residences, and the remaining 42 percent took place in the industrial, agriculture-livestock, and services sectors. Of the total, 57 percent broke out in urban areas. The most fires occurred from March to May.

The agencies most heavily involved in these incidents were the Ministry of Sugar Industry (MINAZ), which suffered 30 more fires than it had in 1985; the Ministry of Construction (MICONS), with 27 more fires; the National Institute of Tourism (INTUR), with a jump of 12; the Ministry of Basic Industry, with an increment of 8; and the People's Government, Agriculture, and the Ministry of Transportation (MITRANS).

The thousands of volunteer fire brigades formed at the nation's workplaces have played an important role in the battle to prevent and control these fires.

As part of the preventive effort of the DPEI in the various provinces, in 1986 a total of 2,314 inspections were made of major economic centers. During those inspections, 17,086 violations of protective measures were detected (almost all of them requiring additional investments at these centers).

There was very little decline in the number of violations from the previous year, however, considering that in 1985 there were 43,224 infractions that had to be corrected. In addition to the 17,086 detected in 1986, that brought the total to 60,310, and only 15,634 of these problems had been eradicated by the close of this year.

On the other hand, 1,400 new construction projects were revised to guarantee the protection of these investments.

Another aspect that we should consider is the material losses. Because of the direct effect of the flames, in 1986 the economy suffered losses amounting to 11 million pesos. According to calculations by specialists in this field, however, the indirect losses are more than 30 times higher. These include secondary effects such as the halting of production in the industries where fires have occurred and in those that no longer receive raw materials deliveries; the wages paid to workers who cannot work; the failure to meet economic targets, many oriented toward exports or import substitution; and the cost of hospital care for the burn victims, in addition to what these people stop producing, if they are workers, as well as the relatives who care for them.

Thus, it is clear that real losses resulting from the 3,867 fires in 1986 exceeded 300 million pesos by far. And how many goods could have been produced for the benefit of our people with that money?

8926

CS0: 3248/230

MINISTER CABRALES DISCUSSES DOMESTIC SUPPLY, DISTRIBUTION

Managua BARRICADA in Spanish 13 Feb 87 p 3

[Interview with Minister of Domestic Trade Ramon Cabrales by Monica Zalaquett; date and place not given]

[Text] [Question] There is talk of controlling distribution as a mass task, but to date the people have regarded it as a function of the Ministry of Domestic Trade (MICOIN). What has produced this change in approach?

[Answer] In earlier years, we prepared the masses to assume the role of critics of the state, but we did not mobilize the people to resolve their problems. It is clear now that the revolutionary state cannot by itself resolve the problem of the distortion of trade, but the people continue to demand responses of their government mechanisms, without involving themselves.

Until the end of 1985, emphasis was placed on resolving supply problems through the goods circulation mechanisms, overlooking the basic problem of the production and storage of products. Now we see that if we do not increase the production volume, the organizational efforts in distribution will not lead to any solution and are a waste of time. But it is not enough to make a production effort, since at the same time, the volume and quality of products must be controlled, including where they go and at what prices. If we come up to January and find that there is no raw material for oil, we can see that there is a problem in planning and lack of control.

[Question] But this latter is an institutional problem.

[Answer] In reality, there is no ministerial control. We turn the raw materials over to the enterprises and the producers, but no agreements are established as to what they in turn will supply to the state. There is talk of delivering percentages of an unspecified volume of production, because they do not have a guarantee of all the raw material needed for the year. We do not know for certain how much is produced; we do not know if all that is produced is delivered to us; we do not know if we are making rational use of the raw materials. For this reason we say that the first link in the chain of control efforts is to refine the state mechanisms, so that they can play their role as an apparatus which norms, regulates and controls the economy.

[Question] There are numerous difficulties within the present disorder. What do you regard as the main obstacle to the fulfillment by the state of this role?

[Answer] It is necessary to overcome state liberalism. We are complacent about our disorder, to the extreme that some people find it amusing to watch an institution resolve its problems as best it can. The role of the controller's office is primary. It cannot serve as the "coroner" who issues a judgment as to the causes of a problem 3 months after it occurs. We need to develop a preventive system. In this connection, we believe that it is necessary to combat the bartering among enterprises, the chaotic exchange of products, and also the purchase of products and services on the blackmarket.

Exercising Social Control

[Question] Social control is a concept which is still not very understandable, and seems removed from daily practice. Can you expand on this matter?

[Answer] Social control should come to be dynamic participation by the masses as a function of the fulfillment and supervision of the policies of supply, trade organization and price control. This is the basic way to guarantee that production will go directly into orderly consumption by the people without the intervention of outside forces unconnected with their interests.

Social control should not be confused with purely institutional or popular activity, but should rather be viewed as a complex of tasks which reflect the real existence of the revolutionary power and the political will of the organized masses to combat the phenomenon of illegal trade, speculation, and other illicit forms of distribution which affect and harm the country's economy. These tasks will be discussed and organized in all the regions in the coming weeks.

[Question] And what sectors will participate in these tasks?

[Answer] The population in general, through the blocks, the supply commission, the people's inspectors and the neighborhood council; the workers, through their unions, the production assemblies and the people's inspection brigades in the labor centers in the rural and urban sectors; the producers, through the boards of directors of the cooperatives and the municipal planning; the enterprises and institutions involved in production and supply; the mass organizations on the organizational and coordination levels; and the National Police, in the implementation of coercive measures and support of control measures.

[Question] This would emphasize the dependent relationship of the people on the institutions above which is maintained. What does this change mean?

[Answer] It is essential that the people participate in an offensive organization to find a solution to their problems, in tasks which will rescue us from the torments which are destroying us psychologically and leading us to resolve our problems in an egoistical manner.

At the present time the main enemy of the economy is the black market. We are licensing 40,000 merchants and 295 peddlers, but there remain more than 60,000 merchants and 3,000 peddlers operating without licenses. They are illegal, but they have not ceased to pursue their businesses. In order to take action against them, the efforts of the police and the CDS will not suffice. It is necessary to develop the will of the people, for the people to have a firm attitude of social rejection in order to search out and combat those who are corrupting the morals of the workers and stealing their wages.

[Question] Talk about control of supply from the production centers is something new. How can it be implemented?

[Answer] Producing more is not the only responsibility of the workers. It does not suffice to work hundreds of voluntary hours, for it is necessary to ensure that this production effort is channeled into supply.

Eliminating Payment in Kind

Beginning at the work centers, it is necessary to effect the radical elimination of the exchange of products with other enterprises. There is a need to review the implementation of the agreements with the institutions included in the Enterprise Technical and Economic Plan, to exercise control and to follow up the achievement of goals on a monthly basis. To this end, brigades of people's inspectors must be established in the work centers, and also the economic education of the workers must be promoted so that they will undertake conscious action to eliminate payment in kind, or to reduce it to a minor source of social aid.

Where the farm enterprises are concerned, the rural people's inspection brigades should also oversee adherence to the official price lists for the products distributed at the commissariat, the Rural Supply Centers and the rural outlets, as well as detecting where products are being diverted from these channels to the speculative market.

It falls to the peasants, organized in the UNAG, for their part, to combat trade in basic and export products by speculators who line their pockets at the expense of the hungry people. The UNAG should also sponsor the establishment of people's inspection brigades in the farm production sector in the districts, municipalities and regions.

The CAT--A Trickle in the Desert

[Question] It appears that the CAT are not really providing a sure supply to the workers nor encouraging the stability of the labor force. What do you think about this?

[Answer] The CAT were like a trickle of water in the desert. At the beginning we viewed them as measures which would contribute to retaining the labor force, but currently they are serving as additional elements in the illegal business chain. The wage earners' standard of living has declined to

the extent that it seems reasonable to resell what is bought from the CAT in order to acquire products they cannot find there, for it is not true that even if one has money, one cannot buy things.

We are currently studying what the best alternatives in this situation would be. In principle, the supermarkets have proven to be a solution, because they are the only sector where our policies have the affect of bringing products closer to the consumer without so many middlemen, and there is a saving, thanks to avoidance of the problem of transportation to a series of small retailers.

A supermarket has just been established in El Crucero, and in Tipitapa, the workers in the zone themselves have promised to build another. Plans call for establishing several others this year, but there is no intention of closing the territorial shops, which have played an important role but are facing problems in connection with store hours, weights and measures deficits, adherence to official prices, sales conditions, favoritism in distribution, diversion of products and others, which they have not succeeded in resolving. It is precisely these problems which become challenges for the supply commissions heading the struggle for social control.

5157

CSO:3248/226

PAPER PRINTS, APOLOGIZES FOR QUOTE UNFAVORABLE TO ORTEGA

Baptists 'Dislike' President

Managua BARRICADA in Spanish 30 Jan 87 p 1

[Text] The possibility that the Baptist Hospital is receiving a partial government subsidy, i.e., is totally under the control of the state, is being studied by the Pastors' Convention, which is concerned about the high cost of services at this institution, which it owns.

This was confirmed to BARRICADA yesterday by the Rev Roger Zavala, rector of the Baptist Seminary, who explained that the hospital supports itself on its own income (its budget is in the millions) and that this has an effect on the cost of care, which is beyond the reach of the people.

Zavala emphasized that the Baptist community which has a total of some 25,000 members in 66 churches and 120 congregations, is aware of the problem. "If we are not going to be able to keep the hospital running, we would prefer to turn it over to the state, and thus avoid making health, which is a right of the people, into a business," he said.

The 51st General Assembly of the Convention began last Monday and will continue through Saturday morning. The Convention is celebrating the 70th anniversary of the initiation of pastoral work in Nicaragua, and five representatives from each church in all of the regions of the country are attending the assembly.

The election of new officers and an evaluation of the development of religious work in recent years are the main points on the agenda for the assembly. Those attending are awaiting the visit of President Daniel Ortega, who has been invited to be a guest, scheduled for today, Friday.

However, all of those present, in fact, said that they were not eager to see Ortega, because he "they dislike him."

'Rightwingers,' 'Human Error' Blamed

Managua BARRICADA in Spanish 31 Jan 87 p 1

[Text] In our edition yesterday, there was a serious error in a report carried on the first page under the headline "Baptist Convention Discusses What To Do With Its Hospital."

The text of the report in question accidentally included a paragraph pertaining to offensive statements made by a group of rightwingers, which was not even supposed to be published in BARRICADA. That paragraph, which eloquently contradicted the rest of the report, was added at the end of the text due to an involuntary human and technical error.

It is our duty to state publicly today that this was an error, and to apologize to those affected and all of our readers in general.

5157

CSO:3248/225

FORMER JUNTA MEMBER ROBELO ON UNO 'CRISIS'

Madrid TIEMPO in Spanish 2 Mar 87 pp 76-77

[Interview with Alfonso Robelo by Ralph Leonard; date and place not given; first paragraph is introduction]

[Text] Alfonso Robelo, who was one of the leading cotton growers in Nicaragua and a member of the first Sandinist Junta, resigned his political post in April 1980 and joined the opposition. In 1982 he went into exile in Costa Rica, hooking up with Eden Pastora's organization. Later, in May 1986, he was involved in the creation of the Nicaraguan Opposition Union (UNO).

[Question] Arturo Cruz and Adolfo Calero have left UNO, and the Southern Front, one of the UNO member groups, has pulled out, demanding a purge among leaders. Which leaders?

[Answer] I would rather not mention names, because I think that we have to maintain some degree of secrecy and because mentioning them would not at all help the struggle of the Nicaraguan people.

[Question] If those people are purged, could the FDN [Nicaraguan Democratic Force] continue to function effectively as a military force?

[Answer] The problem inside the UNO goes far beyond removing a few people from their posts. The UNO is an alliance of organizations, some political and other political-military. The FDN is the largest force in the military sphere, but it enjoys the least acceptance in international political circles and is the most criticized. It is important for changes to be made in the UNO.

[Question] What sort of changes?

[Answer] I'm against the continued existence of sectarian armies. There should be just one army. All commitments should be kept; there should be a civilian atop the military apparatus; human rights should be respected; there should be controls on the flow of funds. If these changes come about, some people may not feel comfortable and may leave. But it is not a problem of individuals; it is a conceptual problem.

[Question] Of the \$100 million approved by the U.S. Congress, \$60 million has already been disbursed. How has it been apportioned and who is keeping the accounting books?

[Answer] I don't know whether the \$60 million has been apportioned or disbursed. The U.S. Government is completely in charge of administering those funds. We just indicate what we need and receive material. We do not administer funds.

[Question] And what about the charges by the Southern Front commanders that there has been mismanagement?

[Answer] It wouldn't be mismanagement of funds; it would be a poor distribution of aid. The accusation is being leveled directly at the Reagan administration. They are the ones who control the purse strings. Apparently they are giving aid to the FDN forces. I support the position of the commanders who say that there is favoritism towards the north.

[Question] Is there an irreparable crisis in the UNO?

[Answer] There is a crisis at the moment. Dr Arturo Cruz and I concur in a number of criticisms of the alliance.

[Question] There are reports that the armed struggle is going to be abandoned in the south so that it can be concentrated in the north.

[Answer] No, I think that's a mistake. Moreover, there are forces from the north alongside forces from the south. The important thing to me is to put together a single army that belongs to no one in particular. The Southern Front makes a lot of sense, because this is the way to distract the enemy forces.

[Question] Most analysts agree that militarily the "Contras" are finished, that they have no future and no chance of defeating the Sandinists. Do you think that now is the time to begin the political struggle?

[Answer] We have just drafted the democratic commitment of the Nicaraguan resistance, which has been signed by the UNO and the BOS, the Opposition Bloc of the South, a group headed by the former president of the Central Bank, Alfredo Cesar. This shows that we are on the move military and politically.

[Question] And what about the purely military struggle?

[Answer] It is unrealistic to think that a force of about 22,000 men (17,000 in the UNO-FDN front, 3,000 in the Southern Front and 2,000 in the UNO-Kisan front) can defeat overnight a force of 60,000 to 70,000 men, which is what the Sandinist Front has. But that has never been the idea. The military struggle is designed to apply pressure that will gradually generate increasing support from the population.

[Question] But the "Contras" have never been able to control any territory in Nicaragua.

[Answer] The goal of the Nicaraguan resistance is not to control territory. Territory is not controlled in a guerrilla war. Mobility is the foundation of a guerrilla war.

[Question] Are there plans to form a government in exile?

[Answer] No. Governments in exile can be formed only when you are certain of victory, when you are in the final stage. We are not considering this possibility for the moment, because if a government in exile remains in exile for too long, it wears out and would not be a serious move on our part. Later on, when the military offensive has yielded results, we could think about a provisional government inside Nicaragua, but never in exile.

[Question] With the leadership crisis in Washington and the prospect that the Democrats will win the next election, are you going to hasten the struggle to achieve your goal within the coming 2 years?

[Answer] President Reagan still has 2 years left. We believe that the struggle in Nicaragua should be analyzed on its own merits. We cannot set a deadline for it. Nicaragua is not a problem for Reagan; Nicaragua is a problem for the stability of Central America.

[Question] You are proposing negotiations with the Sandinists. What do you expect to negotiate?

[Answer] We have made 19 different proposals: dialogue, cease-fire, exchange of prisoners, evacuation of the wounded...We have supported proposals made from within Nicaragua: by the church, by the Democratic Coordinator. We are open to a solution of peace with democracy for Nicaragua.

[Question] The president of Costa Rica, Oscar Arias, speaks of negotiations between the domestic political opposition and the Sandinists, not between the Sandinists and the "Contras" in exile. Does this mean that under a potential general amnesty you would return to Nicaragua to join the domestic opposition?

[Answer] Yes, I am willing to return to Nicaragua and put the good faith of the Sandinists to the test. However, there are some things that are not clear in President Arias' proposal. What he proposes is acceptable to us, but a cease-fire seems highly unlikely to us if the parties that are fighting do not start talking.

[Question] What did Reagan's new national security adviser, Frank Carlucci, propose to you during his meeting with you at the residence of the American ambassador a few days ago?

[Answer] Carlucci was here on what the Americans call a fact-finding mission, in other words, a listening mission. So, he didn't propose anything.

[Question] Since the beginning of the year we have seen a major political offensive both by the parties inside Nicaragua and the opposition in exile, as

well as by the Central American governments under Costa Rica's leadership. Is this a coincidence or a concerted action?

[Answer] The reason for it is that we all clearly see that the threat of a Stalinist totalitarian regime in Nicaragua is destabilizing the region. In light of this fact, everyone is trying to see how Nicaragua can get on track towards real democracy. Therefore, it is not a concerted action; it is something obvious.

[Question] Do you think that direct U.S. intervention is possible?

[Answer] I see it as unlikely and unnecessary and I do not support it. The Nicaraguan people are not asking for it, and in my judgment it would be a grave political error. We Nicaraguans want to liberate our country, and the only thing that we are asking for is to be helped with respect.

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CS0: 3248/233

NICARAGUA

NEW OPPOSITION UNION FOR JOURNALISTS ORGANIZED

Managua EL NUEVO DIARIO in Spanish 14 Feb 87 p 5

[Text] (ANN)--The pro-U.S. Higher Private Enterprise Council (COSEP) and a right-wing workers' trade union are promoting the organization here of a "union" of journalists "to oppose the Sandinist government," it was learned yesterday.

The report carried on the independent radio station Sucessos named journalist Ignacio Briones Torres, who is not employed in the news media in Managua, and Auxiliadora Echegoyen, a former editor of the daily newspaper LA PRENSA, which has been shut down, as the sponsors of the "union."

Both the members of the COSEP and the trade union, which are both participants in the Nicaraguan democratic right-wing coordination group, as are the journalists in question, will elect their officers this week at a restaurant in this capital city.

The Nicaraguan Journalists' Union (UPN) has existed in Nicaragua since 1978. Its members include more than 500 newsmen who are employed by the local, regional and government institutional news media agencies in this country.

The members of the UPN were persecuted by the defunct Somoza guards and had to pursue "underground journalism" during the time the repression prevented radio broadcasts, thanks to the persecution by Somoza's agents.

5157
CSO:3248/225

PROBLEMS OF ABSENTEEISM, LABOR DISCIPLINE DISCUSSED

Managua BARRICADA in Spanish 9 Feb 87 p 2

[Text] What are the losses being caused by absenteeism and the violations of labor discipline in the industrial enterprises, and how is this affecting production plans? As of the present, there are neither controls nor complete statistical studies. Agustin Vega, director of the textile, clothing, leather and footwear branch, gives an example of the dimensions of the absenteeism problem with the statement that because of it, 250,000 manufactured clothing items were not produced by the TRICOTEXTIL in 1986.

He adds that TEXNICSA leads the textile factories in absenteeism, and that it has been making a serious study with a view to establishing controls and taking steps to retain its workers.

To this end, a commission made up of representatives of the Sandinist Front, the trade unions, the Sandinist Youth, the AMNLAE and enterprise management was appointed "to undertake political, organizational, ideological and wage measures to eliminate this problem, which is affecting the production plans."

He says that the majority of the workers in the textile plants are women, who miss work because of their own and their childrens' illnesses, and in some cases because they have no transportation, while new employees only come to work from time to time.

The Sandinist Workers' Central Union (CST), for its part, showed in a limited study of 59 enterprises made during the first half of 1986 that absenteeism came to 403,715 man days.

The CST has announced that it is completing another study covering 95 enterprises and undertaken during the second half of 1986, which shows similar absenteeism indices.

Currently a study is being made of control measures to be implemented in the industrial enterprises in Managua, where there is a high rate of absenteeism among office employees and workers.

Rene Bonilla, of the Labor Affairs section of the CST, says that the reasons for the absenteeism in these 59 enterprises during the first half of the year

were maternity subsidies, labor accidents, illness, state obligations, authorized absences, administrative authorizations and unjustified absences.

Bonilla indicated that in that half of 1986, there were 28,878 unjustified absences in these 59 enterprises studied alone, of which total the workers accounted for 22,345.

Illnesses accounted for 44,967 man days lost, and state and social obligations accounted for the loss of 29,082 man days. These obligations had to do with reserve mobilizations, active Patriotic Military Service and mobilizations of their members by mass organizations.

Administrative authorizations accounted for 12,394 man days. Situations with excessive numbers of employees were found, and in addition, the labor day was only utilized to the extent of 72, 61, 64 or 69 percent.

Damaso Vargas and Pablo Martinez, CST leaders in Region III, say that there are numerous causes of absenteeism, including those already mentioned, transportation problems and low wages. They expressed the view that the main cause is the lack of political and ideological work in depth by the Sandinist Front and the trade unions "to ensure that the workers have a more conscious approach to the work they do as producers of material goods and as state servants."

Damaso Vargas maintains that the workers must become convinced that with the efforts we are making now, we are defending the future, to the benefit of the revolution, the fatherland and our national sovereignty. This is the same as saying that the effort to produce more and to increase production in the midst of the limitations and war imposed by the Yankees should be greater.

The limited studies by the CST and the officials in the textile, clothing, leather and footwear branch coincide in concluding that absenteeism averages 15 percent per month.

Agustin Vega says that the TEXNICA textile factory leads in absenteeism. The union leaders, Jorge Silva, Enoc Munoz and Marina Josefa Rivera, for their part, maintain that the turnover of personnel in 1985 was 100 percent, due to low wages.

They say that this personnel turnover dropped to less than 70 percent in 1986, because of production incentives. However, they indicate that a large proportion of the 1,500 workers are absent too often, and they cite various reasons, including the fact that on weekdays, they engage in other activities in order to obtain higher income.

Rosa Rios Lopez, Maria Elena Martinez and Aura Marina Gutierrez said that the women miss work because of their own and their childrens' illnesses and for lack of transportation facilities.

5157

CSO:3248/224

MORE STATE CONTROL OF RICE PRODUCTION CONTEMPLATED

Managua BARRICADA in Spanish 30 Jan 87 p 1

[Text] Greater state control over the areas planted to rice, production volumes and marketing mechanisms, in both the state and private sectors, will be pursued by the MIDINRA in order to speculation in connection with this grain from aggravating the fluctuations in production, Eduardo Hollman, vice minister of this body, told BARRICADA during an interview.

Simultaneous with the effort being made with a view to the recovery of production, the state wants to maintain the quotas for the combatants, workers and the people in general through certain channels. To ensure this it is necessary to control all the production through agreements which the private sector, through the COARSA, must respect, the vice minister said.

He said that there are limitations on meeting the demand, which has increased by 30 pounds per capita in the past 8 years, in view of the considerable deterioration of the machinery and equipment for production under irrigation and a decline in the areas of dry (winter) rice farming.

In discussing the factors which caused production to drop from 2,240,000 quintals (the largest harvest, achieved during the 1983-84 season) to 1,800,000 quintals in 1985-86, Hollman mentioned the inefficient maintenance of machinery and the lack of replacement parts, constant interruptions in the electrical energy supply, chaotic threshing methods, and, in terms of dry farming, the irregularity of the winter seasons, to which is added the war situation.

5157

CSO:3248/225

ARMY LIEUTENANT CHARGED WITH BLACK MARKET SALE OF MEAT

Managua EL NUEVO DIARIO in Spanish 15 Feb 87 p 5

[Article by R. Gonzalez]

[Text] Masaya--EPS Lieutenant Roger Velasquez Aguisaga was arrested by the police in this city and turned over to the office of the EPS military judge, who will determine his responsibility in the illegal slaughtering of cattle.

The charge against the former officer was made after an illegal slaughterhouse was located on the El Balsamo Ranch in the MIDINRA's Camilo Ortega Complex.

In his statement to the Masaya District Criminal Court, Lieutenant Velasquez said that he purchased meat from Jose Antonio Davila beginning in October of last year, and that there were no problems since "All the papers were legal, with sales slips and authorization obtained from the Camilo Ortega Complex through Rolando Ramirez, the official in charge of the livestock sector at that complex.

He believes that there was nothing improper, since the cattle slaughtered weighed more than 350 kilograms. He said that the contact with Davila was made through Lt Julio Garcia, who had recommended him as a reliable man because he had served in the army. Also, the sales invoices show the address of the El Balsamo Ranch.

Butchering Began Before 1984

The official in charge of the El Balsamo Ranch, Juan Ramon Landeros Sequeira, a veterinary assistant who is a native of Tisma, said in his statement to the court in Masaya that after spending 7 months in Cuba, he went to that ranch, where illegal butchering was already being done, in 1984.

He said that beginning at that time, Jose Antonio Davila paid visits there, always accompanied by several soldiers in one or two IFA trucks. He said that he first purchased livestock at the La Cristina Ranch belonging to Jimmy Bolanos, and that later he brought cattle from Chontales, leaving the animals on the ranch in his care. He said that the trucks arrived at 3 o'clock in the morning and that the butchers (three individuals) arrived the night before in a light truck.

He explained that he told his superior, Rolando Ramirez, about the situation which existed at the ranch, but was told that there was no problem since the meat was for the FAS. The butchering continued until 16 January of this year, when the Masaya Sandinist Police arrived, that is to say 3 years after he arrived to assume responsibility for the El Balsamo Ranch.

Rolando Ramirez Lopez, the official in charge of the meat sector at the Camilo Ortega Enterprise, said for his part that he was appointed to his post 2 years ago, with responsibility for the San Cristobal, San Pancho, Justo Pastor Espinoza and El Balsamo Ranches. He found that the military were having cattle slaughtered under authorizations granted by the preceding administration.

Those responsible for the Camilo Ortega meat sector were Ramon Arauz, Enrique Guadamuz and Ramon Lopez. Our interlocutor said that he only sold two bulls which were rejects to Jose Antonio Davila, with the authorization of the deputy director of the enterprise, Francisco Guevara, who was aware of the FAS-DAA butchering.

He said that 4 months ago, he decided to suspend the slaughtering, because of the "stench" it caused at the ranch. However, he had a problem, in that Lieutenant Velasquez told him that it was not possible to leave the army without meat, and that in addition, he believed that "There was nothing illegal about the slaughtering, because it only involved the military."

The witness expressed the view that Jose Antonio and Lieutenant Velasquez were responsible for the butchering. He said that the latter asked him to process the last 17 head of cattle, and that in addition they would get a letter from the "captain." This was done, but he asked them to take the letter to the director of the Raul Barrios Complex or the head of the Tisma Municipal Council.

5157

CSO:3248/224

DEMOBILIZATIONS IN MANAGUA TOTAL 4,500 IN 2 YEARS

Managua BARRICADA in Spanish 13 Feb 87 p 5

[Text] To date, over a period of 2 years, almost 4,500 young men have been demobilized in Region III, Capt Leana Benavides, coordinator of the Regional Commission for the Support of Combatants, said in an exclusive interview granted to BARRICADA.

Of this total, 1,650 do not have jobs but would like to, while 90 percent are already working.

However, this is not the principal problem. "They want to earn more, to have jobs in which they earn good wages. But this is not possible because of their low academic level, and so they lose heart and quit," she said. BARRICADA has learned that the majority of the jobs offered fall within the first 10 SNOT categories.

"There is a political desire for them to hold labor posts where they can put the political and disciplinary experience acquired on the war fronts to use, but if this is to be achieved, they must be trained," she said. She added that "The administrative duty of the enterprises is to stabilize them in their jobs and to see to their training."

In the view of Captain Benavides, the first step precisely is for the enterprise officials and the leadership councils of the unions to understand that incorporating those who have been demobilized must be a gradual training process. "Concern must be devoted to their cultural and integral development as a labor staff," she explained.

"The demobilized soldier is a collective and social responsibility," she stated, and she urged that this view be adopted by all sectors of society. "To the extent that society uses its strength and approaches labor and student problems directly, the shock effect of the war fronts will dwindle," Captain Benavides emphasized.

The CRAC has a sphere of some 120 enterprises in the capital for the placement of those who have been demobilized in jobs. However, the outstanding ones do not total more than 30. Some, such as TEXNICA, FANATEX, ENABUS, MITRANS, TELCOR and MICONS, are regarded as vanguard and outstanding units.

In connection with the placement of those demobilized in jobs, the coordinator of the CRAC said that the participation of the private sector is very limited. She also indicated that the MIDINRA has plans to turn over land to the demobilized soldiers who want to work it on a collective basis.

She said that the plans for this year call for incorporating those demobilized in the productive sector to a greater extent than in services. "The policy is to obtain resources for the textile and clothing sectors," she said, "rather than encouraging the growth of the service sector. We have plans for making construction brigades available to those demobilized."

The Job Office for Region III has 13 economic sectors in which to place those demobilized in jobs. However, according to the Ministry of Finance in Managua, it is possible to make use of some 2,000 productive enterprises as a working framework for the Cachorros.

"Toward the second half of last year, we began work," Javier Zacarias Diaz, the head of that office, explained, "and we aided those demobilized by filling the vacancies the human resources officials in the state institutions informed us about." As of the present, a total of 152 young men have been placed.

He also said that the jobs offered are mainly for carpenters, drivers, masons, construction workers and others. "There is very little demand for workers with a higher level of education," he said. He added that "What is offered does not match what the applicants are hoping for."

Diaz said that currently the MITRAB has some 300 job positions open. "The main activity this year will be to guarantee jobs for those demobilized, and for the disabled who have been rehabilitated," he said.

He also admitted that the responsibility of checking on those demobilized in their new job situations has not been met. "We lack the capacity. We need greater material resources," he said.

5157
CSO:3248/224

'SUBSTANTIALLY INCREASED' ILLITERACY IN MANAGUA TARGETED

Managua BARRICADA in Spanish 8 Feb 87 p 2

[Text] In recent years, illiteracy has substantially increased in some communities in Region III (Managua), and it has now become necessary for us to work together to regain the ground lost so as to be able to declare the region free of illiteracy by 1990. This statement was made by Carlos Carrion, government representative and coordinator of the FSLN Region III Committee, speaking before about 200 people's teachers in the Tipitapa rural zone.

Carrion explained that with a view to achieving this goal, a plan is being drafted which calls for the reorganization of the MED structure in the territory, adaptation of the adult education programs, the assignment of an educational brigade made up of the best militants in the Sandinist Youth to the communities, and better coordination between the primary and people's education teachers.

In responding to the concerns and problems set forth by various people's teachers, he said that the war imposed on the people by the U.S. imperialists has made it impossible to satisfy the material and economic needs of the communities in Region III, since the country has had to allocate sizable human, technical, material and economic resources to the zones directly affected by this aggression.

"Managua has been in the rear guard, and thanks to the efforts of its residents, it has been possible to push the Contras back toward the frontier and to bring peace to the communities and settlements so that the peasantry can work and produce.

"With the military, economic and social advance of the revolution in the war zones, it is now possible to concern ourselves with and strengthen education in the rural zones of Managua, and it is our goal to eradicate illiteracy in some communities by 1987," Carrion said.

In the rural zone of Tipitapa, coverage was provided for 29 communities and 10 cooperatives in 1986, serving 600 illiterates and 266 basic education students. There were 86 brigade members participating in this work, and 59 people's teachers were recruited.

Maria E. Hernandez, a people's teacher in the San Benito No 2 community in San Francisco Libre, took the floor to appeal for further training for the people's teachers, greater economic aid and better school lighting.

"We people's teachers receive little political guidance, and therefore we ask to be provided with lectures on the situation existing in the country, as well as textbooks on the history of the revolution," Mayra Urbina, a people's teacher in the San Benito No 1 community, said.

Bayardo J. Guzman, a people's teacher in the Colama community, asked that the dispatch of materials be done promptly so as not to lose class time, and he asked for closer contact between the MED zonal headquarters in Tipitapa and the people's teachers.

Mary Bolt, an MED official, said in response that territorial schools will be established to provide training for people's teachers. The schools lacking illumination will be sent lamps, and supervision by methodological teams will be strengthened.

5157

CSO:3248/224

EXAMPLES OF CRIME, DISORDERS, UNEMPLOYMENT NOTED

Burglars 'Accost' Neighborhood

Managua EL NUEVO DIARIO in Spanish 12 Feb 87 p 2

[Letter to the editor by Concepcion C. Orozco]

[Text] As a citizen, I am much concerned about the wave of crime seen in the past 2 years in our Managua neighborhood, El Eden.

There is almost no home which petty thieves have not invaded. There is almost no home without a victim of recent street attacks or outrages committed under cover of night.

The neighborhood enjoyed relative social calm from the triumph of the revolution until 1984, more or less, when revolutionary vigilance began to lessen.

Simultaneously, the number of "hopheads" coming from these very homes or from other neighborhoods began to increase, and as if this were not enough, we also entered the era of the juvenile gangs.

There is hardly a 15th birthday or any other kind of celebration which is not "crashed" by uninvited gang members, who "break it up" with one or several brawls before the householders have even had time to cut the cake.

The police, who do not concern themselves greatly with neighborhood problems, ascribe this fact to the lack of cooperation on the part of the residents, whose CDS lacks dynamism.

Within this context, the leader of a gang of hopheads recently murdered a soldier, Oscar Franco, who was on leave, during a street brawl. EL NUEVO DIARIO reported this dramatic event on the first page of its Tuesday, 10 February, edition.

The signs of an approaching tragedy like this one were visible, and the worst aspect of the matter, as in the "Chronicle of A Predictable Death" by Garcia Marquez, is that no one did anything to prevent it.

I think that the bloodshed in this instance should lead us to react so that we abandon our fear of involvement, once and for all, and decide to wage an organized but energetic battle for our own neighborhood safety.

It is necessary to revitalize the CDS in the neighborhood, to reestablish revolutionary vigilance, and to engage the Sandinist Police in a confrontation with the people in order to work out a strategy to combat the crime problem.

This must be done, comrades, because without us the police can do nothing, and we are almost defenseless without the police.

With the hope that you will publish this letter, and thanking you in advance for this favor, I send you fraternal greetings.

Concepcion C. Orozco

Life of Beggar Described

Managua EL NUEVO DIARIO in Spanish 15 Feb 87 p 8

[Text] From time immemorial, begging has been regarded as a shameful activity pursued by those individuals needing help in order to survive.

Now its meaning has changed, and many people in the most populous cities in Nicaragua engage in this activity, but with a view to profit and comfortable living.

Berta Martinez, about 67 years old, is tall and slender, and her skin has been darkened by the harsh sunlight to which she is daily subjected. She is a native of Valle Las Marias in Leon, and her area of action is in Siete Sur.

For more than 14 years she has begged for alms at the same site. She has brothers she says are poor and an adopted daughter, she supports them product with what she can beg daily from automobile drivers.

She is in Siete Sur by 8 every morning, and she stays there all day until 4 pm, when she takes the bus to her home in the Valle Las Marias district.

It upsets her when drivers give her 10 or 20 cordoba notes, since she already has her established rate and only accepts 50 cordobas or more.

She chose her "work station" years ago. It is the left-hand lane of the South highway, where all the drivers are forced by the stoplight to come to a halt. She takes advantage of this moment to make her appeal.

When questioned by END, Berta said that in a day, she collects about 3,000 to 4,000 cordobas in alms, in bills of 100 and 500 cordobas.

Berta affects a humble appearance, wearing patched clothing, shoes in need of repair, and a kerchief which covers her forehead. She carries a cane and a sack. Her face is thin and very wrinkled, her nose is sharp and her eyes very black and sparkling.

She knows her business, because she is aware that each vehicle which comes along this section of the highway means between 100 and 500 cordobas in alms for her.

How many people are there behind Berta, receiving the product of the charity donations she collects during the day? How many people are profiting from her begging efforts?

Finding out about her life in Valle Las Marias is very difficult, because she is evasive, and she answers questions in partial phrases which suggest that she is hiding something.

The only concrete facts she would give END were that she has a family, several brothers and her daughter, and that what she collects in a day is hardly enough to live on. What is 4,000 cordobas a day as a living? Nothing, she herself responded.

'Dangerous Environment' Decried

Managua EL NUEVO DIARIO in Spanish 16 Feb 87 p 6

[Text] Residents in the Costa Rica neighborhood, just a few blocks from the END premises, have reported that groups of men and women who are unemployed gather on the main corners in that district, above all that where the Reinaldo Hernandez Hardware Store is located, creating a dangerous atmosphere, particularly between 6 and 12 in the evening.

The police authorities are well aware of the conduct of these people, but apparently have been unable to take corrective steps.

Mrs Rosario Manzanares said that these habitual drunkards are making life impossible by insulting passersby, causing disturbances and creating a ruckus which goes against morality, so that general speaking, the residents must keep the doors and windows of their homes locked.

Mrs Gloria Rosales confirmed what Mrs Manzanares said, and she reported that between Modern Plastics and the South highway, there is a boarding house where men and women who make "a business" of their lives reside. The worst part of it is that many minors are witnesses to these scandalous actions.

The two or three blocks of this street between Modern Plastics and the South highway have been baptized "New York" by those who degrade themselves with vice and seek to earn money in the easiest fashion, instead of engaging in productive labor, Mrs Maria Rizo said.

And to top it all, they do not let the residents sleep in peace. They take care of their physical needs in vacant lots, on the sidewalks, or wherever they may be.

The end points of Routes 120 and 123 are other gathering places for the people accustomed to this way of life.

In view of this situation, the residents appeal to all citizens to reorganize and reactivate the CDS and revolutionary vigilance, and they urge the police authorities in Department 7 to take firm steps to put an end to these abuses. They further add that the fact that many young female students must use these streets and are subjected to insults from men and women linked together by their "destiny" should be taken into account.

The main street in the Costa Rica neighborhood is now known as "La Amargura" (Bitterness).

There are also two schools, Costa Rica and La Patria, in this area. Unless joint action is undertaken by the organized residents and the pertinent authorities, the citizens there will continue to be the victims of the obscenities voiced by many men and women who should be redeemed and involved in labor which will give them dignity as human beings.

5157

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PARAGUAY

IMPACT OF DEVELOPMENT PROJECTS IN BORDER DEPARTMENTS VIEWED

City of President Stroessner

Asuncion HOY (Special Supplement) in Spanish 3 Feb 87 p 15

[Text] The city's steady and almost unbelievable growth, both now and in the future, made possible by the fact that the nation is at peace, was discussed in our interview with the head of the Alto Parana government delegation, Lt Col (SR) Antonio Oddone Sarubbi. He pointed out that "the city's growth is not going to stop, and in the next 10 years it will get even bigger, becoming a metropolis with over 500,000 inhabitants."

"I am convinced that the peace we are now enjoying is not going to be destroyed again, and that is the fundamental reason why I can say that the City of President Stroessner will experience further growth," said the head of the Alto Parana government delegation, Lt Col (SR) Antonio Oddone Sarubbi, when asked for his views of the future of the departmental capital.

The government delegate noted that this city, which has grown up in an area which not long ago was forest, "in another 10 years will have become a real metropolis, with a population of over 500,000. I base this opinion on the fertility of the soil of Alto Parana department, the flourishing state of commerce here, and the incipient agro-industry being developed by the Minga Guazu Cooperative."

"Another source of the city's development will be the future Aeropuerto del Este [Eastern Airport], whose construction is going to revive this sector. And of course, it will give the city a new appearance, as it brings in many new facilities in its wake."

Safety

On another issue, we spoke with Lt Col Oddone Sarubbi about safety in the city. He said: "Since I took over as head of the delegation 22 years ago, we have been working hard to improve safety in the city. This is not an easy job, for as you can see, the area's booming development has attracted a great

many people looking for ways to get rich. Nevertheless, at the present time we do have the necessary resources--vehicles, weapons, and manpower--to help us in the job of fighting crime, so we can preserve this city's peace and tranquility."

Oddone Sarubbi said that the "Amistad" [Friendship] Bridge linking Paraguay and Brazil "means that Paraguay's farmers can send their products directly to the Atlantic, using the port of Paranaguá. Route Six is now handling 2,000 vehicles a day smoothly, coming from both Encarnación and from Stroessner; it will also handle the Aeropuerto del Este traffic in the future. And of course, the immense amount of energy that Itaipu provides us will mean that the city's development will be an inexorable and constant process."

Plans for New Airport

Asunción EL DIARIO (Special Supplement) in Spanish 3 Feb 87 p 26

[Text] The Airport: Passport to the Future

The airport is an essential project. It will mean the creation of a new lifestyle, one in which business and commerce will no longer be hindered by time constraints.

A number of businessmen from the Alto Paraná area agree that construction of the future Aeropuerto del Este will produce benefits for the department, and most of all for "the nation's second city in economic importance." The project was not given a favorable recommendation during its study in congress. However, the decision to proceed with the project was received with satisfaction, especially by the departmental authorities and the local business community.

By a resolution of 7 September 1984, the National Economic Coordination Council awarded the civil engineering and architectural work to the Entrecanales y Tavora Consortium of Spain, with the participation of Enrique Díaz Benza. Executive authority decree no 12.635/81 and a resolution of 18 March 1986 authorized the signing of contracts for this work. The contracts were signed on 8 April 1986.

People in Alto Paraná agree that building an airport is an urgent necessity, both to stimulate regional tourism and also for imports and exports. "This isolation and dependence on the air terminal at Foz de Iguazú hurts our business, and Stroessner City will very soon be able to justify this undertaking fully," commented Israel Iriarte, a leading businessman in the city.

Features

The future airport will be located about 292 kilometers from Asuncion; it is designed to handle aircraft of the 747-200 type. The total runway size is 3,400 meters in length by 45 meters in width, with a taxiing strip of 1,400 x 23 meters, a loading platform with an area of 46,200 square meters for six transcontinental long-range carriers, along with other buildings, radionavigation aids, telecommunications, radar, weather services, an instrument landing system and lighting systems.

Encarnacion-Posadas Bridge

Asuncion EL DIARIO in Spanish 2 Feb 87 p 13

[Text] Because of the approaching completion of construction of the Encarnacion-Posadas bridge, the border committee which has been operating on both sides of the river is going to begin a study of issues related to the use of this border crossing, which will carry both persons and freight.

To evaluate the work done during the past year and to set scheduling, especially for the approaching utilization of the international bridge built over the Parana River, the Encarnacion-Posadas Border Committee will meet at the end of this week.

This was announced yesterday by the head of the technical department of the highway transportation division of the ministry of public works and communications, Gaudino Baez Ibarra, one of the first Paraguayan officials who has served on biregional organizations, like the one which has been operating between the City of President Stroessner and Foz de Yguazu for the past 9 years.

Baez Ibarra said that at the meeting of the Paraguayan and Argentine delegations of the committee operating between Encarnacion and Posadas, they will review the organization's activities in 1986, correct any possible mistakes, and schedule this year's activities, so as to do the best possible job.

Baez Ibarra pointed out that the Encarnacion-Posadas bridge does merit some special attention, as it is expected to be completed this year. He noted that there is an understanding within the committee about establishing transportation offices on both sides of the Parana in order to coordinate their activities, and in addition to improving traffic flow, to provide closer cooperation.

"Considerable Progress"

He explained that when the bridge which is now under construction has been completed, the surrounding area will show considerable progress. He further

stated that at that time, the appropriate infrastructure should already be in place, in order to facilitate a normal and steady traffic flow of both cargo and passengers,

He said that the next meeting will be held in the Argentine city of Posadas. He feels that their work will increase in intensity in order to have everything ready at the time this major border crossing is completed.

Project Status

The Encarnacion-Posadas bridge is being built and financed by the Argentine government as part of a cooperative program with Paraguay. By mid-December 1986 construction of the span over the main navigation channel had been completed.

The bridge is 2,550 meters long and links both shores of the Parana. According to the engineers supervising the work, the project is now 87 percent complete.

The bridge will carry both rail and vehicular traffic. It will also have a walkway to one side for pedestrian use.

Border Center

The border center, a complex located near the end of the bridge on the Paraguayan side which will house all the offices involved in the control and regulation of border activities, will be built soon, so that it will be completed by the time the international bridge is ready for use.

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CSO: 3348/217

CLOSER APRA-IU COOPERATION VIEWED

Lima EQUIS X in Spanish 2 Mar 87 pp 8-10

[Article by Jorge Luis Acevedo: "APRA-IU AGREEMENT?"; passages enclosed in slantlines printed in boldface]

[Text] One of the most striking and talked-about aspects of the recent Fraternity Day demonstration staged by the American Popular Revolutionary Alliance (APRA) was, beyond a shadow of a doubt, the emotional and sympathetic reaction of the huge crowd to the extraordinary words of their leader when he called on the United Left (IU) to participate in united action to bring about the substantial changes that Peru requires. This was especially so because the isolation of so many decades and the constant strife on all fronts did not seem to predispose the average APRA member to such an immediate understanding of the present exigencies of Peruvian society. Moreover, a deep-seated prejudice about Aprist sectarianism aroused fears of rejection, or at least cold acceptance of the call for the unification of popular forces.

But the magic of Alan Garcia's charisma and the justness of his cause were able to achieve this in full measure the night of Friday 20 February. Thus, to enthusiastic applause, Alan Garcia made his appeal to the United Left, on the one hand, and on the other hand, cautioned his fellow Aprists against arrogance. /"From this forum,"/ he said half-way through his speech, /"I am addressing the members of the United Left, which has influence on the people and on organizations, to tell them: Do not regard us as enemies, do not regard us as competitors. We are just part of the same people. We have another ideological label, but we have the same flesh, the same blood, the same desire to bring about a revolution."/

And immediately afterwards, addressing those present at the rally, he emphasized: /"I ask all of you, in the name of our leader, not to move toward sectarianism, not to allow our hearts to succumb to arrogance . . ."/ And after issuing a call to everyone, he declared: /"We are interested in the revolution, we are interested in the unity of the people. Why do we have to split apart? Why do we have to be divided? Why can't we walk together to carry out the transformation that Peru needs?"/

Present Hour

The president's invocation could not be, as certain dogmatics on the left have contended, a mere political tactic, an insincere psychological gambit to win a few points in a fierce contest. Experienced analysts point out that this is not a matter of mere political or electoral motives. At heart, the leader was inspired to make this pronouncement by something much more profound, much more urgent and definitive: the pressing demands of the present hour, the very future of the program for social change, the fate of the democratic ground that has been gained.

It is true that as the second anniversary of the APRA government approaches, evident successes have been achieved. The decision not to pay our foreign debt beyond the limit of 10 percent of our yearly export earnings has been firmly upheld, and is breaking new ground in the hemisphere. This is evidenced by the much-noted stance taken by Brazil, observed attentively by other major debtors in our region such as Argentina and Mexico. The inflation rate has been brought down significantly during the last year and a half of this government, and the country's economy has been reactivated noticeably. No one in his right mind could deny that.

Nevertheless—and this also cannot be brushed aside--there are still underlying problems, and the fate of the country's democratic system and its very national identity hinges on the solution of these problems. They are, as is well known, 1) the violence that has been unleashed, 2) the vulnerability of the country's economic and financial system, and 3) the need to carry out revolutionary transformations that will enable us to overcome this situation.

This is a veritable challenge of which Alan Garcia is well aware, because time has been gaining on us and we are no longer in a position to repeat the words of a past president, who said, "In Peru, either problems solve themselves or they are never solved." At the present time, either problems are solved or we fall into the abyss. It is that simple.

If there is no adequate national response to subversive violence and we simply continue to follow the spiral of repressive violence; if the threats that loom on our economic horizon are not warded off in time, through concerted action; and if no progress is made on passage of the legislation for which a special session of Parliament has been called, then the situation could become very serious, despite the successes that have been attained in the short term. We must not forget that, after all is said and done, we have an additional problem of confrontation with the United States, not on everything but on some key points of disagreement, such as the foreign debt and Nicaragua. Moreover, there is the discontent that is aroused in certain areas by the people's and the government's insistence on preventing any transgression of human rights in the battle against subversive violence. There is also some chafing against the legal and legitimate subordination of military power to civilian power, in accordance with the mandates of the Constitution and the essence of the democratic system.

Expand Base of Support

Alan Garcia's appeal to the United Left to /"walk together and carry out the transformation that Peru needs"/ was clearly based on the consideration of these facts. Indeed, the stakes are too high to even suppose that the president has petty motives in mind. In any case, the sincerity of his actions should be tested by taking him at his word, and in no way should his proposal be rejected out of prejudice. Otherwise, there will be little hope for the future, and we can only conclude that we are on the verge of committing /"the heinous crime of suicide."/ It is true that there may be major ideological and procedural disagreements. But these are long-term matters, and we cannot allow them to cloud our judgment when it is a matter of preventing the very disappearance of the ground for ideological and political confrontation, as happened and is still happening in Pinochet's Chile. Those Chileans who, 14 years ago, put their prejudices, their dogmatism, and their enmity ahead of considerations which were apparently less pressing but actually were of much more vital importance to all, are now paying the consequences personally.

In this regard, it is worth noting that the APRA government urgently needs to broaden its base of support to ensure the country's democratic stability and prevent any unforeseen contingencies. And that same need is felt by those political forces which need the consolidation and expansion of democratic territory so that they can advance in the execution of their policy of social change.

Now, the conditions must become ripe very soon for that expansion of the base of democratic support. In July, as is customary, there may be a change in the cabinet. Some ministers may leave, although not necessarily the premier. And that will be the opportunity for the United Left to collaborate with this government for specific purposes, by having either its own people or people friendly to it appointed as ministers.

Specific Goal

This collaboration would be aimed at strengthening the democratic system, giving it an undeniable, massive shot in the arm and developing its capacity to defend itself by applying measures that accomplish what Alan Garcia calls /"beginning the revolution in democracy,"/ and what in Spain is known as /"giving the left a try."/ This could begin with the full enforcement of the provisions contained in the legislation for which a special session of Congress has been called. And it could continue down the path of a new type of socialism, a revolution within the revolution, an informal, indigenous, incipient Peruvian socialism that would connect with the most advanced, contemporary forms of socialism in liberty, as we have advocated in the pages of EQUIS X.

This model that is under construction would be based on the following premises: 1) Freeing up the initiative of the social producers and of all economic agents, while at the same time reducing the size, jurisdiction, ambition, and spending capacity of the state.

- 2) Regionalizing and decentralizing the country, reserving for the central government only the spheres of foreign relations, national defense, and comprehensive and concerted economic planning.
- 3) Placing the educational system under the corporate self-management of the teachers, parents, and students (those old enough to do so). Implementing educational reform based on the concept that /"wherever schooling is the same for everyone, there are no social classes."/ Private educational centers would replace, complement, and optimize the action of the state, as long as they did not become centers of profit and social discrimination. Restructuring the universities on the basis of ability and vocation.
- 4) Legalizing the informal sector of the economy, freeing it of legal and bureaucratic red tape, bringing down the cost of legalization and reorienting it toward exports.
- 5) Reconverting formal industry to break out of its situation as an over-protected, privileged assembly-oriented sector so that it can begin exporting nontraditional or manufactured goods.
- 6) Destabilizing the public sector of the economy by converting its enterprises into corporations managed by the workers in conjunction with representatives of the other economic organizations and social institutions.
- 7) Eliminating the subsidizing of urban areas by rural areas, by making substantial and widespread improvements in the prices of agricultural products. Restructuring agricultural holdings. Promoting cooperatives to provide agriculture-livestock services, technical assistance, transportation, and marketing.
- 8) Restoring labor discipline and the free availability of the factors of production.

Resistance

Clearly there is resistance within the the Aprista Party of Peru (PAP) and the IU to any rapprochement between these organizations. Respectable but conservative members of APRA, such as Luis Alberto Sanchez, certainly do not agree. Similarly, in the IU, members who are also respectable but militant, such as Javier Diez Canseco, are primarily suspicious. And it is no coincidence that the two are very good friends. But if they do not want that cooperation, or Alan's reelection as president, or APRA's continued presence in power in the style of Mexico's Institutional Revolutionary Party (PRI), then what do they want? Will they resign themselves to a military coup, perhaps?

Since that alternative cannot be permitted, and since no other foreseeable and realistic alternative presents itself, the appropriate thing, then, is to seek ways of cooperating that do not subjugate one side to the other or eliminate the democratic methods of political selection. Thus, after forming a cabinet of unity, a number of emergency collaboration options would be available to choose from, for a given period of time: a) a government alliance, with APRA

as majority partner but with all ministerial, parliamentary, and local government posts distributed between it and the IU; b) a turn-taking pact, as in Colombia, with one term under an Aprist president and the next under an IU president, with shared cabinets (always, of course, resulting from a free popular elections); and c) an accord following the Venezuelan pattern, in which each party would run in the elections on its own, but would commit itself to cogoverning for an entire term. All this is possible and negotiable for the future. But to begin consolidating the democratic system, it is imperative that a new shared cabinet be formed next July on the basis of Alan's appeal. This is, without a doubt, the utmost responsibility of the two major popular organizations, and the country and their fellow citizens will hold them accountable at the appropriate time.

[Box, p 10]

"Hotline"

The friendship between Alan Garcia and Alfonso Barrantes is not a recent development; it dates back several years. It began during the previous administration, and during the 1985 election campaign; it was strengthened and solidified when Alan Garcia took office as president of the republic. At that time a relationship of ongoing consultation and dialogue began between Mayor Barrantes and the president. In short, it was a relationship of patriotic and loyal collaboration. It is said that not a single major step by the government was taken without first informing Alfonso. And he, in turn, presented his suggestions, proposals, ideas, or demands directly to the Palace very frequently. The mutual familiarity and the profound conviction that they shared a common interest in changing the country within democracy, combatting the same enemies regardless of their differences, forged a relationship that has not deteriorated even at the height of tensions, when the intemperances of both sides threatened to drive them apart. This happened, for example, with the verbal clashes over the recent municipal elections. To prove that the friendship between the top leaders of the national left is more important than electoral anecdotes, Alfonso joined the presidential entourage when Alan went to Nicaragua. When Alfonso was mayor, they say, there was a kind of "hotline" for constant communication between the two. Although he is no longer mayor now, the "red telephone" is still there. Whether or not the right once again takes over this country depends to a great extent on the friendship and good relations between these two men.

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10 June 1987